the Freeman

Ideas on Liberty

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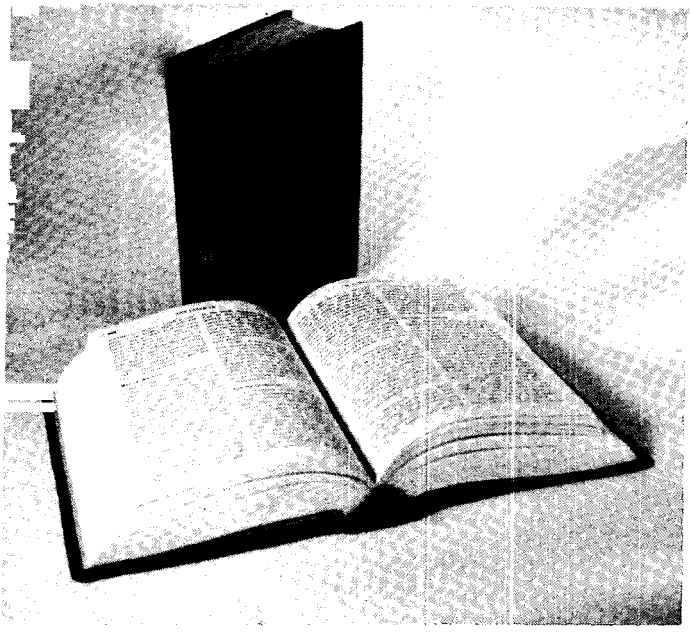

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RALPH BRADFORD

The Great Anniversary Festival

IT WAS NEAR MIDNIGHT of a warm summer's day in Philadelphia. An earnest, stubborn man from Massachusetts was writing a letter home to his wife. In it he told her of an event which had taken place that day – a memorable "Epocha," he called it – which he believed would have profound consequences. And he predicted that in years to come the people of the country would celebrate that event as "the great anniversary Festival." It ought to be commemorated, he added, "as the Day of Deliverance, by solemn acts of Devotion to God Almighty."

His name was John Adams; the lady he addressed was his beloved Abigail; and the happening which he announced with such solemn pride was the adoption of the Declaration of American Independence. As a prime mover in the events which led to that action, he had good reason for pride and satisfaction; and as to the future, his vision was indeed prophetic. The Fourth of July celebration became a standard, almost a stereotyped, American institution. Its devotional content was perhaps never quite as elevated as he imagined it would be; but its patriotic fervor was strong and persistent.

Now we approach the 200th anniversary of that event. Nearly two centuries of American history and experience have been enacted on the world stage – in theatrical terms, a truly colossal production. Our physical growth and expansion have been phenomenal – from a narrow cluster of isolated colonies along the Atlantic seaboard, up the inland valleys, over the Appalachian ridges, across the prairies, plains and mountains, north to the gold-endowed and ultimately oil-rich Arctic, and far into the near-tropical mid-Pacific. Ameri-

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can achievements, too, have been legion – invention, the cotton gin, the row planter, the reaper, the binder, the combine; railroads to span the continent; highways to augment, and maybe to supersede, the railroads; steel and aluminum fabrication; the automobile; synthetic products; longer life; general education; mass merchandising; atomic fission; nuclear power; aviation; rocketry; men on the moon – and now the illimitable reaches of space beckoning. A brilliant scene in the great drama of world history.

A Devastating War

But there were also vicissitudes of fortune. In the very first place, there was a war to be fought – a long and devastating struggle against overwhelming odds, with the American hopes sustained by an ill-trained, seldom-paid and poorly equipped little army. It was a time of low morale, deteriorating finances, incredible inflation and military humiliation. Armies need the stimulus of at least an occasional victory; and the early years of the American war for independence were an almost unrelieved disaster.

It was, of course, too much to hope that the struggling armies of a poorly organized colonial federation could prevail against the military might of Britain. Even with the handicap of distance and the attendant problems of logistics, British power was great and formidable. The American leaders knew this. Most of them had understood from the beginning that war's end might very well be rope's end, so far as they were concerned. Washington, indeed, predicated his only hope for victory on somehow hanging on and prolonging the unequal contest until the exigencies of European power politics would bring France to the aid of his forces – not necessarily for love of America, but to harass the English.

In his diary for May 1781, Washington made a gloomy entry: "Instead of having magazines filled with provisions we have a scanty pittance scattered here and there in the different states. Instead of having our arsenals well supplied with military stores, they are poorly provided and the workmen all leaving them . . . Instead of having a regular system of transportation established upon credit, or funds in the quartermaster's hands...we have neither the one nor the other; and all that business, or a great part of it, being done by military impress [that is, seizure by force] we are daily and hourly oppressing the people – souring their tempers and alienating their affections. Instead of having the regiments complet-

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ed . . . scarce any State in the Union has, at this hour, an eighth part of its quota in the field and little prospect, that I can see, of ever getting more than half. In a word – instead of having everything in readiness to take the field, we have nothing; and instead of having the prospect of a glorious offensive campaign before us, we have a bewildered and gloomy defensive one."

The only possibility of brightening this somber outlook, he muses, would be to receive a powerful aid of ships, troops and money from some generous allies. (No doubt he was thinking especially of the French.) But then he adds realistically that such aids, at the moment, were "too contingent to build upon." And that, be it remembered, was in the fifth year of the war!

No General Government

The situation was further exacerbated by the fact that there was really no American government, in the present sense of that word. In the discouraged diary entry just quoted, Washington does, to be sure, refer to both "the States" and "the Union" – but the Union was still a half-hearted dream, and the States remained an aggregation of mutually jealous, distrustful and often antagonistic colonies. Some of them actually had tariff regulations to prevent the importation of goods from neighboring colonies. There was still little comprehension of nationhood. When a man from Williamsburg spoke of "his country" he didn't mean all of colonial America; he meant Virginia. In the same way, "the country" of a man from Boston or Concord was not a string of colonies on the edge of a continent; it was Massachusetts.

For a long time efforts had been made by leaders of vision to bring the scattered colonies into some sort of union for the advancement and protection of their mutual interests – but to little avail. As early as 1643 an attempt at a defensive union was undertaken by the Plymouth, New Haven, Massachusetts Bay and Connecticut settlements. It was a very loose-knit alliance, born mainly out of fear of Indian depredations. It lasted about ten years, and collapsed.

The next move toward unity was from an unlikely source – London, of all places; the King's ministers, of all people! In 1688 they tried to consolidate the New England colonies with those of New York and New Jersey, primarily in the hope of making them more effective against France's adventures in the New World, and also against the In-

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dians. The new arrangement was to be called The New England Dominion; but it was accompanied by so much royal ruthlessness that it met no favor among the colonials and was eventually abandoned.

Plans of Union

Others reached for unity from time to time. William Penn proposed a plan of union, but the colonists, fearful that their rights might be abridged, rejected it. In 1754 all the New England colonies held a conference with those from New York, Pennsylvania and Maryland, primarily to deal with the matter of their treaties with the Indian tribes. At the conference Benjamin Franklin presented what came to be known as the Albany Plan of Union. It was approved by the Conference, and submitted to the several colonies, and to the King. Hope for some kind of colonial union seemed at last on the way to realization. But the Plan was roundly rejected — by the King because it gave the Colonies too much self-government, and by the colonial assemblies because it didn't give them enough!

And so it had gone, through the decades. Only the repressive measures successively (and stupidly) imposed by the British government, such as the Stamp Act, gradually forced the colonials to embrace more cooperative attitudes and led finally to the First and Second Continental Congresses, and to the beginnings of nationhood under the Articles of Confederation.

What was the reason for this stubborn aversion to centralized government? Was it ignorance — unawareness — lack of vision? Something of all that, perhaps, since the colonials were average human beings. But they were also influenced — maybe it is not too much to say they were *guided* — by something else. Average citizen and political leader alike, *they were afraid of government!* This fear was a result of their own experience with oppressive British policies; and more remotely it was a heritage out of the experiences of their parents and grandparents, whether as colonials or as citizens of European countries. Their experience with the institution of government had not been such as to lessen their distrust of it. Even Thomas Jefferson, you may recall, was convinced that "the best governed are the least governed."

The strange, hard-to-understand thing was the behavior of successive British ministries toward their fellow Englishmen who happened to be living in America instead of in Lancashire or Corn-

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wall. Their own history had been replete with struggles to obtain the very rights which they so persistently denied to the colonists.

Steps Toward Freedom

In 1215 the Magna Carta had been wrested at sword's point from King John by the Barons at Runnymede. By it the principle of limited monarchy was established, and the rights of Englishmen under law were set forth. Never mind that the barons could scarcely be called "the people," or that their quarrel with the King had small resemblance to a popular movement. The villeins, or peasants, who made up most of England's population at that time got very little out of the Great Charter, and that little was theirs mainly because they were considered to be the property of the barons on whose land they lived. Their civil and political rights were only incidentally at issue. The issues, indeed, were primarily those of conflict between royal exactions and baronial privilege, of how much "scutage" or shield charge the king could collect from them (or they from their own retainers); of the restoration of riparian seizures – and all with a strong undercurrent of reconquest-of-Normandy international politics into the bargain. But never mind all that. A great blow had been struck. Principles of deep human import had been formulated. A symbolic monument to freedom had been erected.

True, the rights outlined at Runnymede soon began to be eroded by kingly and ministerial usurpations; and by the year 1628 they were largely ignored by the government of Charles I. But the old fires were not completely banked; and by that time, moreover, the average citizen was more deeply concerned than had been the case in the days of King John. So again a king was compelled to yield, not by force of arms this time, but by the expedient of a parliamentary withhholding of his revenues. Brought to terms, Charles signed an instrument called the Petition of Rights – a document, by the way, which asserted several of the principles that were named a century and a half later in a statement known as the Declaration of American Independence.

But it was a slow and often a discouraging battle, that struggle to make government an instrument of the people, rather than the other way around – to insure that the people could live under laws enacted with their consent and approval, rather than under whimsical royal decrees imposed upon them. And one of the compelling reasons men left the com-

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fort of their ancestral homes and emigrated to America was simply because of their deep desire "to secure the blessings of liberty to themselves and their posterity."

A Bid for Home Rule

And that was the reason, finally, for the so-called American Revolution. So-called? Yes; because it was not a revolution in the sense of being a "fundamental change in political organization, or in a government or constitution." It was a revolt, if you like – a determined effort to get rid of the restrictions and exactions of a government on the far side of the Atlantic Ocean. It was a bid for home rule. It was not aimed at creating more government, but less. Aside from getting out from under the sometimes petty but always irritating tyrannies of London, the colonials were not contending for radical changes in the social contract.

That statement, of course, is a denial of certain kinds of propaganda that have been slipped into some of the developing material for the Bicentennial celebration. There is frequent reference, especially in some of the television programs, to colonial leaders as "radicals," with the obvious intent to give a coloring of respectability to some of today's political extremists. But it is a mistake to equate the protests of the Sam Adamses and John Hancocks and Patrick Henrys with the present-day "radical" demands for socialism, communism and superstatism generally. The colonials didn't demand or want a radical revision of governmental forms; they didn't want to "revolutionize" British institutions. They didn't propose to set up a socialistic Utopia in America. They simply wanted to be the directors of their own lives and destinies, under the simplest and least restrictive form of government they could devise.

So strong was this desire, and so intense the distrust and fear of government, that for some time – all during the war and for several years thereafter – the American people came perilously near to having no general government at all. However, it was obvious that some central authority was needed – at first to formulate and express the colonial grievances; and thereafter to conduct the war for independence. This need resulted in the First and Second Continental Congresses. The situation, in brief, was this:

The people of Massachusetts had resisted the tax on tea, among other things. Feeling ran high and culminated in the purely symbolic but historically important Boston Tea Party. It was just a bit of theatrics, of course – but it was drama, not comedy; and it was ex-

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cellent propaganda. And it went deeper than farcical theatricality, for it expressed a very firm colonial determination. The British government could shrug off the Tea Party, but it couldn't shrug off the hard-cash fact which the Tea Party symbolized – namely, that the people of Massachusetts had no intention whatever of buying any more English tea. That was a stab in the pocketbook, and it hurt.

So England retaliated with what the colonials called the "Intolerable Acts" of Parliament – abolition of local government in the colonies, closing and blockading the port of Boston, quartering troops in private homes, transferring title to the vast Northwest Territory from the colonies to Canada – and so on. Meanwhile the colonials were busy with their committees on correspondence; and before long, upon a call from Virginia, the First Continental Congress was convened in Philadelphia.

Rights of Englishmen

With remarkable speed and clarity, it protested the British treatment of the people of Massachusetts, got out a Declaration of Resolves and Grievances, and asserted that the colonies were entitled to preserve their rights under their several charters – *and under the British Constitution.* You see? There was no "revolution," expressed or implied. They wanted to proceed under existing laws and agreements. There was, however, a threat, not too heavily veiled, that if the British government failed to take remedial action the Congress would meet again the following year.

It was all to no avail. London was determined to punish the recalcitrant colonials; the latter were equally set on resistance. Such a tense situation could not continue without violence; and so before very long there were Lexington and Concord. There was Bunker Hill. There was the burning of Charleston, the shelling and burning of Falmouth. There was the siege of Boston. And, as had been promised (or threatened) there was the Second Continental Congress, the protracted debate, and finally the passage of Richard Henry Lee's little 47-word resolution. And so the die was cast. It was to be Independence. It was to be war. For seven long and discouraging years, it was to be war!

Incredibly, in five of those seven years, with no Chief Executive or other supreme magistrate, the war was conducted by the Congress, simply because it was the only thing in existence that bore any semblance to an organized, central government. It was weak, shot

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through with dissension and jealousies; it lacked authority over the states or colonies; it had little spirit of nationalism or unity. This was not surprising when the several colonies themselves were bidding against the Congress in the matter of raising troops for the Continental army by offering a higher enlistment bonus for their local militia than the Congress was offering for recruits to Washington's pathetic little army! We have seen in the earlier quotation from Washington's war-time diary how the states ignored the requisitions of the Congress for his pressing military needs. Despite all this, it was a working Congress, with many committees whose members toiled long hours day after day through those weary years.

And all the while, devoted leaders were working to bring some order out of the developing chaos. They had not forgotten that Lee had matched his Independence resolution with another which called for a central government. This germ was never allowed to die, and from its base the Articles of Confederation were finally developed. Consideration of these Articles produced more division and acrimony, but at last they were passed. Provision was made for a Congress; but the powers granted it, or rather denied it, made its ultimate failure almost a certainty. As a single example, one Article provided that each State should *retain its sovereignty, freedom and independence!* Is it any wonder Washington sometimes wept into the pages of his diary?

Muddling Through

But the colonials, as was said of the British at a much later date, had a genius for "muddling through." Also they were fired by the inspiration as well as the practical imperatives of their Cause. They didn't quit. They hung onto their dream. And the war dragged on. Names and places emerged and got into the pages of history: Brooklyn Heights, Kips Bay, Trenton, Monmouth, Ticonderoga, Saratoga, Valley Forge; the British Howe brothers – the General and the Admiral; Johnny Burgoyne; Lord Cornwallis; the American General, Washington, flanked by the impetuous LaFayette, the stolid Steuben, and the brilliant Hamilton; Arnold, able and traitorous; Greene, resourceful and steadfast; and finally the tactful Rochambeau and the ponderous De Grasse. For the French *did* come in, prodded by the wise and resourceful Benjamin Franklin. And so at long last into the history books came a little place called Yorktown . . . and the tedious, bloody business was finished

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– on the battlefield, that is. It was still two more years before the peace treaty was signed.

So much for the beginnings. Independence was at last achieved. But even so the "blessings of liberty" had not yet been fully realized, for the country was still the disorganized, headless wonder that it had been, governmentally speaking, from the beginning. Moreover, it was heavily in debt to both foreign and domestic creditors. Also, some 200 million dollars in paper money had been printed, and these "continentals" had become almost worthless. And, of course, the lack of a strong national authority was leading to political and economic chaos. But a strange dichotomy existed: the people recognized the need for a strong central government – and they had a deep fear of just such a government.

At last, common sense plus intelligent self-interest prevailed. In May of 1787 a convention was assembled; the problems and the proposed solutions were long and sometimes bitterly debated. Hamilton had a plan for something like an elected monarchy. Others had their favorite prescriptions. But finally the so-called Virginia Plan, as drafted by James Madison and presented by Edmund Randolph, became the basis for what eventually emerged as the Constitution of the United States of America. It had taken four months of work to hammer it through the Convention – but more work was ahead. First, the existing Congress had to approve the new plan – and did so. Then it had to be adopted by the several States. Some of them moved quickly; others dragged out their decision, notably Virginia and New York. But those two pivotal States ratified in June and July of 1788 – and the United States of America was in business!

A great many books have been written about the Constitution, by authors whose opinion of it range from the cynical thesis that it was a compromise agreement engineered by men of wealth and privilege to protect their interests, to the almost religious belief that it is the greatest governmental document ever devised. I incline strongly to the latter opinion; but it is not my intention to undertake here any further analysis or debate. It is enough to say that it has stood the test of 187 years, which makes it the fundamental law of perhaps the oldest government in the world today. And, let it be added, the greatest!

So the new nation was launched. The dream of John Adams (and of countless others) was on its way to fulfillment. But the way

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was long that it must travel. Washington, already feeling old at war's end (he was 53) had to leave Mount Vernon and spend eight pioneering years as the first President. Adams served four; Jefferson, Madison and Monroe served eight years each; and thus the first 36 years of the new nation's life were in the molding hands of five great figures out of the Revolutionary period. Nor was the country's experience with war ended, for in the Presidency of James Madison came the second war with Britain, called the War of 1812. Though political enemies of the President liked to call it "Mr. Madison's War," to most Americans this was another struggle for principle, long remembered and patriotically venerated – freedom of the seas, no search and seizure, and no impressment of American seamen. To most Englishmen, however, it was a minor episode of empire, little noted or long remembered.

"That Little War"

In London some years ago my wife and I were entertained at luncheon by a former Lord Mayor – a charming gentleman of wide interests and broad education. He had been a member of a crack British regiment, and he rather proudly told us that a few years previously this regiment had visited the United States and among other appearances had taken part in a parade.

"We were the first British regiment," he said, "to march under arms in an American city since the Revolutionary War." I asked him if he was real sure about that, and he replied, "Of course. Why do you ask?"

"Well," I answered, "I seem to recall that as late as 1814 certain British regiments marched under arms through the streets of an American city called Washington – and by a strange coincidence, that same night both the White House and the Capitol caught fire and burned."

He laughed ruefully. *"Touche!"* he said. "I confess I'd forgotten all about that little war."

Just an incident, that little war? Yes – to most Englishmen, and even to many Americans nowadays; but it was part of the process of our maturing. Other incidents, other episodes, made up the mosaic. There were the decades of settlement – Appalachia, Mid-America, the Far West. There was to be the tragic bloodletting of the Civil War and its slow healing; the railway, steamboat and industrial age; the 90-day war with Spain, which launched our country onto the world stage in a new character. There would be Wilson and the

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First World War, with its idealism and naivete; the second Roosevelt and World War Two, with its enormous costs and world involvement. We were victorious in both those titanic struggles – or thought we were. As a result of our part in them, at any rate, we became a world power. For a time, indeed, it could almost have been said that we were *the* world power – a dangerous eminence.

A New Role in the World

And then strange new things began to happen. Under the influence of a kind of benevolent auto-hypnosis we undertook the role of international benefactor. Some of this, to be sure, was in the service of our proper self-interest, as in the matter of restoring devastated areas in western Europe. But we went much farther. It was not enough that our country had helped defeat ruthless aggression in two hemispheres, or that we should be committed to enormous expense in maintaining an impressive military presence abroad. No, we also assumed, before long, the role of world almoner, and began dispensing fantastic sums, in cash and credit, to the so-called emerging nations, and to many others. I do not have the latest figures by me as I write – and the exact amounts are not important. But certainly a substantial portion of our 500-plus billion dollar debt was occasioned by this lavish and indiscriminate foreign aid program. The debt was further swollen by the heedless expenditure of other billions in excess of our national tax receipts, including enormous outlays for Korea and Viet Nam.

Ideologically, we have, as some people like to say, "outgrown the bucolic ethical and financial attitudes of our yesterdays." Once, for instance, we had a healthy fear of debt. We understood its usage in both public and private finance; but we knew and feared its dangers and avoided the pitfalls of excessive and long-term deficits. But now, in a kind of Keynesian euphoria, we have put debt on a pedestal, proclaimed that it should never be paid or even reduced, and made it an instrument of alleged national progress and development – all the while that the value of our money was being disastrously eroded and the financial security of our people drastically reduced.

At this point I am moved to turn backward again for a moment, to quote a paragraph that was addressed to the American people some time ago by a somewhat worried citizen. He began by saying that we ought to cherish the public credit as an important source of strength; and then,

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with great pertinence to our present financial policies, he concluded with these words, which I am putting in italics for emphasis: "*Avoid likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions in time of peace to discharge the debts . . . not ungenerously throwing upon posterity the burden which we ourselves ought to bear.*"

Pertinent counsel, it seems to me, in our present period – the more so because the somewhat troubled author of those sentiments was a tall gentleman from Virginia named George Washington.

Advice Unheeded

It would be easy to dwell upon how far we have departed from that good advice, and the extent to which we have abandoned the ideals of work and achievement and morality that we like to think motivated our colonial forebears. Certainly the political, economic and moral formularies of our past are now questioned, debated, discounted, sometimes ridiculed, occasionally violated; and one frequently encounters a cynical attitude toward what used to be accepted as proper and valid American ideals and values. Personal industriousness (the "work ethic") is often scoffed at. The worth of frugality is questioned. Capitalistic enterprise is often under attack by those who think of "capitalism" as wicked aggregations of rich men intent on plunder, rather than as a convenient economic vehicle through which many investors can pool their savings for both personal and societal advantage.

And so on . . . and on . . . and on, in a doleful threnody that would pound fear into the heart of anyone who loves this country, values its past, and has hopes for its future. Unless, that is, unless. . . .

Unless he probes somewhat beneath the surface, both now and in the history of those colonial days. He will find that all was not sweetness and light then, either – that the demand for Independence was for a long time a minority sentiment; that there was little enthusiasm for the war; that the army was plagued with desertions; and that there was political chicanery and humbug, then as now. And as to the current scene, the despairing lover of this country today will despair less and hope more if he will consider the other side of the medallion, remembering that the voice of criticism is nearly always louder than the voice of approval; that fear is usually more strident than courage; that hope is quieter than despair. What one sees in a casual

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survey of the country, and especially what one sees on the tube or in the press, is a surface picture – the froth on the wave, the noisy sibilance of the breakers, not the calm surge of the tide.

Our country has always had its doubters, its detractors, and alas, its betrayers. John Adams himself witnessed such things, even at the beginning. It is not too surprising, human nature being what it is, that the heroism of a Nathan Hale was shown in the same war that brought forth the treachery of a Benedict Arnold. Washington himself was traduced and slandered and made the victim of a vicious and nearly successful cabal. All of which is simply to say that men are men, of whatever nation and whatever generation.

Look Back With Pride

As we approach the Bicentennial of our nationhood we can take stock of our country and its institutions with pride and satisfaction. We have done a lot to it, we Americans. We have burdened it with unnecessary debt. We have cheapened its money through inflation. We have depleted its resources through profligate exploitation. We have extended its powers and functions beyond anything dreamed of by its founders. We have put it into business in competition with its own people. We have converted it into a gigantic bureaucracy which today employs more people than there were in the whole country in 1780. We have, in short, done our worst to overload and bankrupt it. But like a tall tree in a wasteland, it stands up well among the troubled nations of this wabbling world.

If weak and unscrupulous men have betrayed the trust reposed in them by their fellow citizens, that is a matter for our sorrow, but not our shame. The shame is theirs, as their guilt is confessed or determined. The fault is theirs, and not that of the American system. As citizens under that system we are able to look in cold-eyed disapproval on venality, betrayal and political humbuggery and yet continue to know and confidently assert that our country is still, as Lincoln said of it, the last, best hope of earth.

And we can imagine John Adams, grown old, but stubbornly immortal, peering downward and backward out of the mists of eternity, and taking renewed satisfaction in observing the strength and resilience of the nation he helped to found – and being happy to see that the Nation is once more celebrating its birth in fitting style with the Great Anniversary Festival of which he dreamed.

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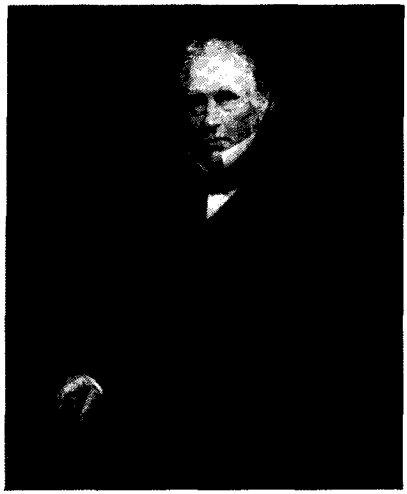

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Thomas Babington Macaulay

Macaulay: Defender of Capitalism

BRUCE BARTLETT

THOMAS BABINGTON MACAULAY was born in 1800. In 1825 he began his writing career and soon became one of England's most popular essayists. In 1848 the first volume of his magisterial *History of England* appeared and became an instant success, rivaling only the works of Byron and Sir Walter Scott in popularity. Owing to its brilliant style and encyclopedic collection of facts, it established Macaulay's reputation for all time. In 1857 he was raised to the peerage, died in 1859, and was buried in Westminster Abbey.

Like Lord Acton, Lord Macaulay is an outstanding representative of the Whig tradition and true liberalism in the nineteenth century. In his works he constantly stressed the history of liberty as fundamental to human progress. Consequently, he was also a strong supporter of capitalism and laissez-faire, both in his writing and in numerous speeches before Parliament. His most vigorous effort was in a review of Robert Southey's *Colloquies on Society* for the *Edinburgh Review* in January, 1830.

Southey was Poet Laureate of England at the time. In 1829, however, he had temporarily abandoned his poetry to take up social commentary. Ostensibly, his book was only a collection of conversations between himself and the ghost of Sir Thomas More; but this was only a literary device to allow him to present his own

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opinions about society in general. Macaulay easily saw through this and took Southey firmly to task for this departure from his poetry:

"It would be scarcely possible for a man of Mr. Southey's talents and acquirements to write two volumes so large as those before us, which should be wholly destitute of information and amusement. Yet we do not remember to have read with so little satisfaction any equal quantity of matter, written by any man of real abilities. We have, for some time past, observed with great regret the strange infatuation which leads the Poet Laureate to abandon those departments of literature in which he might excel, and to lecture the public on sciences of which he still has the very alphabet to learn. He has now, we think, done his worst."

From this opening barrage, Macaulay went on in similar style to review all of Southey's pronouncements. Today they would be considered left-wing, but in his time Southey was considered the voice of ultra-Toryism. His brand of Tory conservatism taught that all in the past was good, and therefore, he was contemptuous of any change. In a time of rapid social change brought on by the Industrial Revolution, Southey wanted government to control undesirable trends. He was particularly incensed by the growing prosperity of the new capitalist class.

His distaste for the capitalist was a logical consequence of his conservatism. He hated seeing "common" men with wealth which had heretofore been reserved only for the aristocracy. Southey also hated the source of this new wealth, rooted as it was, not in large land holdings, but in factories. To Southey, this new manufacturing system was "a system more tyrannical than that of the feudal ages, a system of actual servitude, a system which destroys the bodies and degrades the minds of those who are engaged in it."

Worse Off Without Factories

Macaulay's reasoning, rooted much more thoroughly in reality, was that without the factory system there would be mass starvation. "When we compare our own condition with that of our ancestors," he said, "we think it clear that the advantages arising from the progress of civilisation have far more than counter-balanced the disadvantages arising from the progress of population. While our numbers have increased ten-fold, our wealth has increased a hundred-fold." Macaulay went on to remark that it was the very increase in wealth which had brought on the complaints of industrialization. Where wealth is great, he

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said, suffering is more obvious and thus, more loudly bewailed.

With the wealth of industrialization spreading rapidly to all classes of society, Southey was also concerned that government was not getting its share. Thus his favorite theme is that a people may be too rich, but a government cannot be. "A state," he says, "cannot have more wealth at its command than may be employed for general good, a liberal expenditure in national works being one of the surest means of promoting national prosperity; and the benefit being still more obvious, of an expenditure directed to the purposes of national improvement. But a people may be too rich."

Needless to say, Macaulay has a field day with such absurd logic, in spite of which it has survived to the present day in John Kenneth Galbraith's *The Affluent Society*. "What does he mean by national prosperity?" Macaulay asks. "Does he mean the wealth of the state? If so, his reasoning runs thus: The more wealth a state has the better; for the more wealth a state has the more wealth it will have. This is surely something like that fallacy, which is ungallantly termed a lady's reason. If by national prosperity he means the wealth of the people, of how gross a contradiction is Mr. Southey guilty. A people, he tells us, may be too rich; a government cannot; for a government can employ its riches in making the people richer. The wealth of the people is to be taken from them because they have too much, and laid out in works, which will yield them more."

"We are really at a loss," he concludes, "to determine whether Mr. Southey's reason for recommending large taxation is that it will make the people rich, or that it will make them poor. But we are sure that, if his object is to make them rich, he takes the wrong course."

No Faith in Public Works

It is clear from this that Macaulay has no belief in the virtues of public works; particularly when government competes with private business. In this respect, he follows closely the reasoning of the classical economists that no one will invest in a free market without the expectation of profit. When government invests tax money, however, there will be no such expectation. Thus, with private investment there is a direct correlation between the motives of the investor and the utility of the work. The government does not invest to fill an economic need, but only a political one. To Macaulay, this results in ostentatious architecture, great roads in small

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towns, and canals built in some remote province. "The fame of public works," therefore, "is a much less certain test of their utility than the amount of toll collected at them."

Government spending could also be certain to attract a multitude of vultures to prey on the public treasury: "In a corrupt age, there will be direct embezzlement. In the purest age, there will be abundance of jobbing . . . In a bad age, the fate of the public is to be robbed outright. In a good age, it is merely to have the dearest and the worst of everything." The aim should be to confine government building to legitimate government needs. "Buildings for state purposes the state must erect," Macaulay said. "And there we think that, in general, the state ought to stop. We firmly believe that five hundred thousand pounds subscribed by individuals for railroads or canals would produce more advantage to the public than five millions voted by Parliament for the same purpose."

The King Knows Best

Macaulay finally boiled Southey's system down to one fundamental principle: "That no man can do anything so well for himself as his rulers, be they who they may, can do it for him, and that a government approaches nearer and nearer to perfection, in proportion as it interferes more and more with the habits and notions of individuals." To Macaulay, such a view was incredibly naive and showed no understanding at all of history, economics, or human nature: "The division of labour would be no blessing, if those by whom a thing is done were to pay no attention to the opinion of those for whom it is done. The shoemaker, in the *Relapse*, tells Lord Foppington that his lordship is mistaken in supposing that his shoe pinches. 'It does not pinch; it cannot pinch; I know my business; and I never made a better shoe.' This is the way in which Mr. Southey would have a government treat a people who usurp the privilege of thinking."

The result of letting the government run everything could only lead to oppression. As Macaulay saw it: "Government, as government, can bring nothing but the influence of hopes and fears to support its doctrines. It carries on controversy, not with reasons, but with threats and bribes. If it employs reason, it does so, not in virtue of any powers which belong to it as a government. Thus, instead of a contest between argument and argument, we have a contest between argument and force. Instead of a contest in which truth, from the natural constitution of

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the human mind, has a decided advantage over falsehood, we have a contest in which truth can be victorious only by accident."

The answer was laissez-faire. "It is not by the intermeddling of Mr. Southey's idol, the omniscient and omnipotent State," Macaulay concludes, "but by the prudence and energy of the people, that England has hitherto been carried forward in civilisation; and it is to the same prudence and the same energy that we now look with comfort and good hope. Our rulers will best promote the improvement of the nation by strictly confining themselves to their own legitimate duties, by leaving capital to find its most lucrative course, commodities their fair price, industry and intelligence their natural reward, idleness and folly their natural punishment, by maintaining peace, by defending property, by diminishing the price of law, and observing strict economy in every department of the state. Let the Government do this: the People will assuredly do the rest."

PERPETUAL REVOLUTION

When the people are encouraged to turn to government to settle all of their problems for them, the basis for all revolutions is thereby established. For then the people expect the government to provide them with all of the material things they want. And when these things are not forthcoming, they resort to violence to get them. And why not — since the government itself has told them that these responsibilities belong to government rather than to them?

I am convinced that a revolution would not be possible if the only relationship between government and the people was to guarantee them their liberty and security.

FREDERIC BASTIAT, addressing the National Assembly in France, December 12, 1849

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The Reversal: Liberty into Servitude

CLARENCE B. CARSON

THERE ARE CERTAIN PHRASES which have a special place in the American lexicon. Among these the following rank high: "individual liberty," "the rights of the individual," "the worth of each individual," "the bill of rights," "constitutional guarantees of ——," and "self-government." They have a special place because they bring to mind the ideas and ideals which animated the establishment of American independence, the drawing of the documents by which we are governed, and have provided guidelines for Americans over the years. When anyone uses these phrases in an approving manner he may be reasonably sure of evoking the desired response.

It is no new discovery of mine, however, that language is a tricky thing. The careless user of words and phrases may find himself saying something quite different from what he intended. The unwary listener or reader may nod approvingly to a presentation containing familiar phrases when an analysis would lead him to reject out of hand the meaning of the whole. The context, it is said, governs the meaning of words and phrases. So it does, but context can be a great deal more than the framework given them in a particular rendering. Words and phrases wear down with the passage of time, like coins, lose their sharpness, become fuzzy, pick up new connotations and lose old ones. In some sense, they are more like magnets than coins, picking up associations with things contacted and dropping off others. Indeed, phrases can, by subtle mutations, be turned into their opposites. Familiar and venerated phrases can be used so as to reverse the meanings they once conveyed.

What follows is an example of how this is done, taken from a

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popular high school textbook on American government. It is called *Our American Government* and was written by Stanley E. Dimond and Elmer P. Pflieger.[1] The opening chapter is devoted to setting forth "The Fundamental Ideas of a Free People." They are, according to this account, that men can govern themselves, liberty, concern for each individual, concern for the general welfare, majority rule, and minority rights.

The elucidation of some of these ideas appears to place the account firmly within the American tradition. For example, Dimond and Pflieger say:

> Liberty is one of the words used often by those who have tried to describe our way of life. Patrick Henry said, "Give me *liberty* or give me death." The Declaration of Independence states that men "are endowed by their Creator with certain unalienable rights; that among these are life, *liberty*, and the pursuit of happiness." The Preamble to the Constitution speaks of "the blessings of *liberty*." The Pledge of Allegiance to the Flag ends with the words "with *liberty* and justice for all." (p. 4)

In like manner, they trace concern for the individual to profound sources. "Where does this concern for the individual come from? What is the source of this fundamental idea? While the idea is recorded in many famous documents, this belief in the worth and dignity of each individual comes from deep-seated religious beliefs. It is part of our inheritance from Christian and Jewish religions." (p. 6)

Rooted in Religion

Just so, the belief in the worth and dignity of each individual is rooted in religion. And, the present writer does not question the propriety of recognizing this source in a book on American government; indeed, he applauds it. Dimond and Pflieger, however, proceed to make a strange association of this religious idea with government when they say:

> Each person, regardless of mental ability, physical condition, age, color, sex, or religion, is a person of great worth under our system of government. (p. 6)

There is a connection between the belief in the worth and dignity of the individual and protections of individual liberty *from* government. But that is not what is being said above. They are saying that a system of government attaches worth to the individual. The statement is, of course, nonsense, for systems do not have values. It is a personification of government or the state, a prerequisite to statism,

[1] Philadelphia: J. B. Lippincott Co., 1971, revised edition.

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or the worship of the state. By shifting the belief in the worth and dignity of the individual from religion and individuals to government, the way is prepared for the reversal of traditional meanings.

One of these shifts is made in the discussion of the Bill of Rights:

> The liberties of free men are *guaranteed* to each citizen in the Bill of Rights – the first ten amendments to the United States Constitution. These rights are also *guaranteed* in most state constitutions. (p. 4, emphasis added)

There are some guarantees, if the word be used loosely, in the Constitution, such as the right to trial by jury, but most of the Bill of Rights consists of prohibitions on the Federal government. A store which prohibited its employees from robbing patrons would not be guaranteeing the safety of patrons within the store. No more does the First Amendment when it says that "Congress shall make no law respecting an establishment of religion . . ." guarantee freedom of religion. The distinction is important; it is the difference between the government being forbidden to do something and the government providing something. Phrases are being used to have them mean the opposite of what they once did.

Where this reversal is going begins to appear in the following:

> One of the fundamental ideas which limits liberty is "concern for the general welfare." The Preamble to the Constitution says that government exists "to promote the general welfare." Sometimes this idea of the general welfare is referred to as "the common good."
>
> In some ways this idea of the general welfare is exactly opposite of individual liberty. A worker muttered that his liberty was taken from him because he had to join a labor union in order to work in a certain factory. . . . A farmer complained that his liberty was gone because he couldn't plant all the cotton he wanted. . . .
>
> The situations that caused these complaints developed because the general welfare was considered to be more important than the liberty of the individual. The good of all was thought by the framers of the Constitution to be superior to the rights of the individual. (pp. 8-9)

If the government guaranteed or provided rights and liberties it is quite possible that they would soon find these in conflict with the general welfare. However, confusion has been compounded in the above quotation by ripping both "liberty" and "general welfare" out of their original contexts, failing to define either with care, and imputing to the Founders preferences foreign to their way of thinking, if not abhorrent to it.

Dimond and Pflieger tell us what liberty is not but neglect to tell us

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what it is. They say it does not mean "the right to do as I please." To which one might retort with equal certainty, "Liberty does not mean the right *not* to do as I please." In fact, the legal meaning of liberty, which is what is under discussion when the Constitution is at issue, is *not* being confined or imprisoned. Try to substitute any other meaning for it in the phrase "nor shall life, liberty, or property be taken without due process of law" and see how it turns out. With this legal definition in mind, it is not immediately clear why individual liberty is in conflict with the general welfare. Probably what could be meant is that individual *rights* could be in conflict with the general welfare. But the Founders did not consider them to be. They held that governments existed to "secure these rights," and that the general welfare was promoted by making natural rights secure within society.

Where Is the Evidence for the Welfare State?

No evidence comes to mind for the view that the "good of all was thought by the framers of the Constitution to be superior to the rights of the individual." The general welfare was not understood by the framers to be the opposite of individual rights. It was thought to be sometimes in conflict with the partial welfare of groups, regions, sections, and states; and when the two collided the Constitution provided that the general government acting in accord with its constitutional authority should prevail. Individual liberty or rights belong in the configuration of the general welfare, not in the welfare of a part, a configuration to which all governments – Federal, state, and local – were supposed also to belong.

By misconstruing the general welfare and individual liberty, Dimond and Pflieger have prepared the way for reversing the thrust of the government. They set the stage for the government to act in the supposed interest of groups, i. e., labor unions, farmers conceived as a class, and other minorities.

These actions are given a gloss of legitimacy in the discussion of majority rule:

> When liberty and the general welfare conflict, we say that the majority shall rule. . . . The decision is left to the votes of the people or to the votes of those they have chosen to represent them. In our country the majority rules. (p. 10)

Fortunately, that is not the way the American system works at all. If liberty is understood as *not* being confined or imprisoned, any decision about it is not left to a majority in particular cases. For a man to be confined, he must, ordinarily,

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be found guilty of violating some standing law by a jury. The jury is usually expected to be unanimous if the person is found guilty and sentenced to be confined. The other ingredient in the taking away of liberty is the law, and the interpretation of that is supposed to be done by experts, not by the majority. The constitutional prohibition against bills of attainder is protection of the liberty of the *individual* against a majority of the legislature.

Minority Rights

Dimond and Pflieger make a final mutation by their discussion of minority rights. They say that their argument has gone full circle:

> This means that we are back where we started. . . . We started with liberty. We described the relation of the Bill of Rights, the individual, and free enterprise to liberty. We showed that liberty is not unlimited and sometimes conflicts with the general welfare. We said that to keep liberty and general welfare in proper balance we use majority rule. . . . Then we returned to the fundamental of liberty by showing that the majority cannot take away the basic rights of the minority. (p. 14)

It may be that the authors have not intended to be disingenuous in their summary, but they have not accurately described their direction. Rather than going in a circle, they have moved from one point to a quite different one. Individual rights are not at all the same as minority rights. Individual rights are conceived as rights belonging to everyone. Minority rights, if the phrase once be admitted, must be rights belonging to one as a member of a minority. Such rights would be class rights, not individual rights. In fact, Dimond and Pflieger have proceeded by circumscribing individual rights by a posited opposition to the general welfare, made the majority the arbiter when differences occur, and ended by empowering minorities. The balance of power, which Madison once argued would so work as to bring about the general welfare by negating special interests, has been shifted so as to be weighted in favor of special interests, here called minorities.

The traducing of language by Dimond and Pflieger in a textbook on American government may be worthy of attention (after all, the young are taught from the book), but that is by no means the whole point of this piece. By analysis, the authors may appear to have done their job ineptly. Such is not the case, however. They have done a subtle and competent job of fitting much of contemporary American political practices and tendencies into the framework of the United States Constitution and funda-

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mental ideas of a people. Anyone who believes that this would be an easy task should attempt it. Indeed, it is an impossible task, if the ideas held by the Founders be treated with fidelity and those advanced by contemporary reformers be stated clearly. The ideas do not mesh; earlier meanings have to be reversed to make them jibe with the contemporary context.

By the reversal, phrases which once supported individual liberty are used to support social servitude. The following quotation is from Dimond and Pflieger's exposition of the Constitution:

> This Constitution was to be the basis for building a nation in which the welfare of each person was to be the concern of all. The makers of the Constitution believed that whatever promoted the well-being of any individual helped the total group. (p. 37)

The belief in the worth and dignity of each individual has become "concern for each individual," and promoting the general welfare has become "the basis for building a nation in which the welfare of each person was to be the concern of all."

The Missing Step

There is a step missing from the above formulation, the step by which each of us becomes responsible for all of us and can be made to contribute from his resources to that well-being. The step does not have to be taken explicitly; it is supplied by the context. This is not a discussion of religious sentiment. It is a setting forth of the provisions of the United States Constitution which have to do with the vesting of political power. When the concern of each of us for all of us is translated into political terms, it either means that each of us may be forced to help all of us or it means nothing. In the Dimond-Pflieger book, it means the former.

The following statements nail the point down:

> "To promote the general welfare" — the writers of the Constitution stated this as one of the purposes of our government. They believed that one of the reasons for establishing the government of the United States was to provide services which would benefit all of the people. . . .
>
> As our nation has grown, the general welfare has become increasingly a most important objective. As local communities, as individual states, and as a nation we have tried to realize this objective in a variety of ways. We now provide many services which contribute to the general welfare, for the young and the old, for the rich and the poor, for both urban and rural people, for people in all walks of life. (pp. 664-65)

Why is this servitude? It is not direct servitude, ordinarily. Servitude means the compulsory serving of others by a person. Those who

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provide the services directly are not compelled to do so. That is, teachers are not compelled to teach by the state; they voluntarily entered upon the profession. The same can be said for physicians, dentists, social workers, attendants in homes for the aged, and so forth. The servitude is indirect. It is by way of taxation, by income taxes, property taxes, sales taxes, and any one of hundreds of variations. When one's substance is taken from him to be used to provide services for others, that is a species of servitude. Presumably, he has served in order to acquire the substance. The amount of time and energy which he devoted to acquiring the substance forced from him to use for the service of others is the measure of the degree of servitude.

Welfare at Taxpayer's Expense

The notion that ours is a welfare state is only a half-truth, if that, for a welfare state is a servile state, one maintained by the servitude of some portion of its citizens. If anyone believes that the state provides the welfare it dispenses, he is mistaken. States, or governments, do not have substance with which to pay for such services. They must extract it from the taxpayer, and they do that by force. The rightness or wrongness of this can be debated, but there is every good reason to describe the practice with the most accurate language available.

Language is a good and useful servant when it is used with care and precision. There is no other means by which man can draw conclusions and express the knowledge he has acquired. It is our prime means of communication. To realize how important, it is only necessary to observe someone who has reached an age where he might but cannot speak or hear. But language is a fearful master when improperly used. It takes only a little study of history to discover that however unworthy the cause, it had its rationale, justification, and, quite often, its "philosophy." The worst side can be made to appear the better by the skillful and unscrupulous use of language.

The difference between proper and improper use of language does not lie, of course, in the end for which it is used. Proper use of language occurs when the user attends to the meanings of words and combinations of them with others, when he does not allow them to shift in meaning as he employs them, when his rhetoric is consistently used to evoke the values which produced it, and when the reasoning is logical and inevitable. Whether language can be properly used in the service of a bad cause, I do not know. That it can be improperly so used, there is no doubt.

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FALLING on Deaf Ears

JOHN C. SPARKS

UNDER DISCUSSION was the value of human life. Several in the group thought television had vividly pictured so much violence and near-starvation around the world that we viewers – comfortable in our American homes – had become calloused against senseless killing and the suffering of the world's unfortunate; consequently, appeals for corrective action were falling on deaf ears – namely, ours.

At that point, one of the ladies spoke up: "I watched an official of India being interviewed on TV the other evening. He told of the grievous need of so many Indians who suffer from malnutrition to the point of actual starvation. The interviewer asked if the Indian government had tried to persuade its people that fewer births might help relieve the problem. No, replied the official, they hadn't, because 'we love children and we would not want to decrease their number.' The point of the program was to make me feel guilty that I had plenty to eat while so many others were starving. At first, I really felt guilty. Then I began to feel angry! Neither the program writers nor the Indian official recognized that the responsibility was on shoulders other than mine."

This particular television program was not an isolated instance designed to prick the conscience of American viewers. The general thrust of such programs is to blame those who have accepted responsibility to meet their own needs – and are doing so success-

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fully – for those who are not. This is not an organized assault, in my opinion. It simply happens after years of living with a philosophy that condones "rights to have things" without the parallel self-responsibility to provide them.

Politicians thrive on it. What voter is not attracted to the political campaigner who promises to have a law passed that will give people things they have not produced? There has been no more successful political formula (for the short run, at least) than to promise unearned benefits to a maximum number of voters. The pragmatic politician thinks, "Forget the real economic world. Forget the dire negative incentive effects of transferring goods (or dollars) from producers to non-producers. Forget the insidious device of inflation to cover up the terrible cost. This, too, can be blamed on the producers; and not many voters seem perceptive enough to see through my deception." Of course, he is not likely to publicize his thoughts in those words. But he knows full well the formula – and he uses it for all it's worth, falsely in the guise of compassion.

The acceptance of this philosophy goes beyond the political world. It now pervades virtually all areas of human action. The lady in the discussion group related how such thinking has almost become gospel in the medium of television. Much of the mission work of American church organizations is focused on nations with low levels of living – countries of southern Asia, Africa, South and Central America. With funds and personnel that are never enough, the church beseeches its American members to give more – not just more, but to give *enough* dollars to eliminate the hardship and suffering of the poor people of these countries. The usual tactic is to prick the conscience by implying guilt on the part of those who are well-fed and well-clothed in a world in which many are not.

Dividing the Dollars

Reliance on voluntary charity or on government grants to reduce substantially the hunger of the world's poor, is a futile effort. There is not sufficient wealth in America, if given as charity, to reduce measurably their plight.

Suppose that the rich man in the story of Jesus had joined with all other rich men of the then-known world, and had given all they owned to the poor. Would the people of the world today have been noticeably better off as a result of such giving two thousand years ago? Suppose a similar action had occurred five hundred years ago? or ten years ago? It

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is difficult to imagine anything but negative answers.

Poverty can be alleviated in one way only, by increased productivity. And productivity is increased only as we have more and better tools and equipment per worker. Wealth not immediately consumed but set aside as capital (machinery, factories, research laboratories) makes for a productive economy and a rise in general prosperity affecting everyone. But periodically divide up the wealth and we'll all stay poor! As one discerning economist put it rather astutely, "If we turn wealth into food and feed the world's poor, what happens after lunch next Thursday, and both the food and the wealth to produce it has been eaten?"

What the poor need is a special means to end poverty, not the temporary respite afforded by gifts soon to be consumed. Before I am misunderstood, let me say that I favor charitable works, that there are little enough funds and personal effort to support true needs, that to the extent such works do administer moral and physical help, we should all be very thankful. Some people are physically beyond self-help, no matter what the opportunity. They are the poor, permanently disabled in body or mind, who will always require the help of others.

But there are others, also poor and despairing, who exist in such condition because someone is causing that condition. They may be of sound minds and bodies but have no opportunities to achieve self-reliance due to customs, beliefs, or laws that prohibit their self-sufficiency. The erasure of such prohibitions against human progress is the real cure, and it needs to be learned, taught and developed. Anything short of it is nothing but band-aids and aspirin. Here lies the real challenge to the American people – politicians, news media, educational institutions, and church organizations in world mission work.

The Need to Be Free

To be more specific, the poor of the world need to be free persons. They need to be free from taboos, customs, totalitarian regimes, and paternalistic socialist laws. Blockages of freedom will never allow the poor to climb from the misery and sickness of poverty. And not even the richest of peoples can do more than temporarily and partially relieve the suffering while such anti-freedom conditions persist.

Among well-intentioned politicians, professional churchmen, and many others is a deplorable lack of comprehension of the *goodness* of self-responsibility and freedom

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to exercise such qualities. Lip service favoring freedom of individual decision making is general, but seldom specific. Let's look at some of the ways of missing the real point.

It is said, probably with reasonable accuracy, that over one-half of the world's people are malnourished, and up to one-fifth are frequently at the borderline of starvation. The non-sleeping hours of people in underdeveloped nations are almost entirely consumed in their attempts to satisfy their hunger, often not very successfully. The foregoing descriptions are relevant in that they describe results of serious problems. But the causes usually are incorrectly identified. The mistaken reasons include:

- Rising affluence among the world's well-to-do means less food for the poor.
- An American consumes many times "his share" of the world's output of agricultural and industrial products; thus he and other Americans deprive the poor of their proper share.
- Americans squander their means on such luxuries as homes with too many bathrooms, swimming pools, too many energy-using heating and air-conditioning units.
- Fertilizer used to treat American lawns and golf courses would be better used to raise food for the poor.

One could go on and on preparing similar statements about the affluence of some, allegedly at the expense of others less fortunate. The single thread running through these allegations is the assignment of guilt to those who have been successful in finding the way to provide themselves not only the necessities but also some pleasures of life. I am not praising extravagance or conspicuous consumption. The point is that Americans enjoy more of the world's goods because they produce more of them. If they were prevented from enjoying them they would stop producing them.

If There Were No USA . . .

There is little logic in suggesting that people in geographic locations remote to the United States cannot exist comfortably unless the citizens of U.S.A. provide those comforts. Would there be no hope for improvement of the level of life among the poor (of India, or Africa, for example) if there were no United States of America located in the northern half of the western hemisphere?

There is no magic of geographic location that brings self-sufficiency to people. No superhuman force showers gifts of food and clothing on Americans simply because they

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happen to be here. No, none of these. But there has been something better than magic "going for" Americans. Each one has had more personal freedom and less restriction than his less fortunate world brothers. Consequently, each American has had the opportunity to make the most of his abilities, and enough have done so to make this a land of plenty.

Freedom for an individual means freedom from others who would use authoritarian government, taboos, false gods, or other coercive powers to diminish the opportunity for self-fulfillment. Serious efforts of Americans to relieve the world's poor will include a course of action designed to teach those poor and suffering persons *how to become self-reliant and free* rather than dependent on welfare. The poor of the world can ill afford the luxury of American misdirection.

IDEAS ON LIBERTY

The Aim of Education

THE TASK OF THE educator is primarily that of *liberation*. The individual needs to be freed from his limitations in order to develop his potentialities and become a better man than he would otherwise have been. This is the most radical presumption of all. If we assume that the individual can develop his unique potentialities only in freedom, implicit in that assumption is that different people have different capacities and varying rates of progress. Thus, genuine education implies discrimination and difference as distinguished from the dead level of equality.

Once this individual quality of education is understood, it becomes apparent that "social utility" is not an appropriate measure of the student's achievement. Respect for the individual requires that his education be measured in terms of his growth, his *becoming*. The object and the measure of genuine education remains the individual. Development of individual personality, not social conformity, should be education's concern. Education is the process by which the individual gains possession of his soul and becomes a human being fully responsive to his capacities.

GEORGE C. ROCHE III, *Education in America*

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Religion and the Free Economy

EDMUND A. OPITZ

IMAGINE YOURSELF in conversation with a new acquaintance. The exchange of ideas goes well for a time, and then the talk drifts around to economics. This brings forth a series of denunciations from your companion, who declares that economics belongs in the same category as voodoo and witchcraft. You rise hotly to the defense of your favorite subject, and the battle is joined. Within five minutes it becomes evident to the innocent bystander that the economics you are defending is not the economics your adversary is attacking. The thing he knows as "economics" is the set of conjectures and prescriptions drawn from the Marx, Keynes, Galbraith well; whereas for you, "economics" connotes the body of thought associated with men like Adam Smith, Mises, and Hayek. It's possible that your acquaintance has never heard of the Austrian School, but his general "feel" for things has already made him *simpatico*. He has rejected unsound ideas, and this opens up the possibility that he might accept sound ones. But even if he repudiates the Austrian School along with the Keynesian, you and he now have the same referent and are no longer talking past each other; you're that much ahead.

And so it is with the great themes of religion and God; the same words stand for different things to different people. Take religion: Men and women in every age and clime have sought to relate to an unseen order; call it the spiritual realm, if you prefer, to distinguish it from the social order and the order of nature. We live in some society, we are in touch with nature – and we also participate in a dimension which transcends them and us. People seek to come to terms with this unseen order by means of an enormous variety of attitudes, beliefs, and practices. These numerous, diverse,

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and sometimes contradictory activities are then pulled, hauled and pounded into a single category bearing the label "religion." This taxonomic barbarism – this crude labeling – will not satisfy the philosophically-minded, who know that much if not most of what is labeled religion is more properly called magic, superstition, or ideology. Just as most of what is popularly understood as economics is anti-economic, and a lot of what passes for science is really scientism.

Strange Views of God

The well-nigh universal misuse of the term God is another stumbling block. God – in popular mythology – is the tribal deity, the Man Upstairs, Big Brother in the Sky, a transmogrified U.N. Secretary, a cosmic bellhop up there to run our celestial errands for us, and so on. We have to be a-theist-ic with reference to these ideas of God before we can confront a more adequate idea. Santayana put it well. Chided for his "atheism," the great philosopher gently stated his position: "My atheism, like that of Spinoza, is true piety towards the universe, and rejects only gods fashioned by men in their own image, to be servants of human interests." We resist the word God because for most people the notions of their childhood still cling to it, and these notions they have outgrown while they have not permitted their ideas of God to grow with them. Once this growth is allowed to occur, we become aware that genuine Theism demands that we be a-theist-ic towards the false gods.

Every living thing needs food and shelter and symbiotic relation to its kind, and so do we, but only a human being asks such questions as Who am I? What am I here for? Is there meaning in the totality? What is my destiny? These are religious questions, and a creature who has never asked himself these questions is a defective hominoid. Philosophical religion is the uniquely *human* concern, and if our assessment of human nature fails to take religion into account – together with its corruptions into magic and superstition – we achieve only a warped and partial understanding of man and his checkered career upon this planet.

The subject presently under discussion is not theology as such, it is the relation between religion and the free economy; or, the bearing of Theism on the free market/free economy way of life. So, let us shift gears.

An important distinction is to be drawn between the market and the market economy; the former is universal, the latter is rare. The market comes into play wherever there is a society, for no people is

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so primitive as not to engage in trade and barter. There's a lively market in Russia and China. The market yesterday, today, and forever; but not the market economy: This human institution is very rare. Only occasionally has the market been able to institutionalize itself as the market economy. This is a most desirable transmutation; if it is to occur certain conditions must be met. In this paper I shall discuss five of these conditions, in an effort to deal with the question: On what does the market economy depend?

- *First,* there must be firm convictions widely held about the reality of Mind and the capacity of Reason to ascertain truth.
- *Second,* there must be belief in Free Will.
- *Third,* there must be a firm commitment to the idea of inherent rights; for it is obvious that unless we believe in an interior, private domain natural to the human person we will not structure government so as to protect it.
- *Fourth,* there must be firm convictions about the reality of a moral order whose mandates are binding upon all men alike.
- *Fifth,* there must be a sound philosophy of man and his destiny, and a hierarchy of the life goals appropriate to human nature.

Now we know what we are looking for; we are searching for a world view which meets these five conditions. I shall begin with the self-evident truth that some portion of your being is mental and attempt to draw out the full implications of this fact. There is the physical you, but in addition to your body, which is matter, you have a mind or intellect which is nonmaterial. The two interact; your state of mind affects the health of your body, and vice versa. A change in body chemistry or damage to brain cells may impair memory and darken the intelligence. Now, just as our eyes are given us to see with, we have a mind to think with. Possessing minds, we can remember the past, we can anticipate the future, and we can reason about the present. By using our intellect we can begin to understand and explain things. In virtue of our minds we are conscious beings; and not only that, we are self-conscious, aware that there is no way of understanding our mental processes except by other mental processes. We have the capacity to think about thinking, which means that the mind, in reflecting upon itself, is both measure and thing measured.

The Origin of Mind

What account shall we give of this remarkable instrument, the

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human intellect? What is its origin, its nature, its place in the totality of things? The consensus today is that mind is merely an off-shoot of matter; "there is only one world, the material world, and thought is a product of matter." This Marxist dogma is echoed by Behaviorists, such as B. F. Skinner, for whom thinking is a physical process. In other words – and to put it graphically – your brain cells ooze mind just as your scalp extrudes hair! Now, if we accept some such assumption as this – that your body originates your mind – the inescapable inference is that each person's mind is as private and unique as his fingerprints. And if this be the case, then each person's mind is locked within his skull.

Now, if the mind of each one of us is a strictly individual reflex of physical processes, it is difficult to imagine how mind so conceived could possibly be a means of communication between persons. And if the communications gap were somehow bridged, what information could be transmitted? Only information as to the inner state of the organism which produced the mind.

Ordinarily, we demand more of the mind than this; we expect our intelligence and our powers of reason to expand the boundaries of knowledge in the realm outside our skulls. This leads to the question: What must the universe be like if these expectations are to be fulfilled? Briefly, if by taking thought and using our powers of reason we are to acquire truths about the universe, the universe must be rationally structured; there must be some resonance between the thinking which goes on inside us and the rationality present in the nature of things. The mind in us can be trusted to reach reliable conclusions about the world outside only if the material world – nature – embodies a nonmaterial element akin to our minds, that is to say, a pattern, a structure, a meaning. This position may be called Theism.

Mind is Ultimate

Theism is the belief that a mental/spiritual dimension is at the very heart of things; it is the conviction that mind is ultimate, and not matter; that mind is at least as ancient in time and as fundamental in significance as protons, electrons and neutrons. Mind is a primary thing; not something secondary and derived. Push analysis as deep as possible and there is this elemental, primordial, original thing, mind; there is nothing nonmental beyond mind from which mind derives. The nonmental part of us, our physical body, is in a sense continuous

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with the material universe; at some point in time nature will reclaim the atoms which now comprise "this muddy vesture." In a similar fashion, it is contended, the mental part of us is continuous with that part of reality which is non-material; minds are linked to Mind. Anything short of this constitutes a subordination of mind to matter, a position which is self-stultifying.

Let me restate the argument thus far: If we choose to think at all we have no choice but to trust our thought processes. There's simply no way that you can think your way to the conclusion that thought is untrustworthy; a reasoned case against reason is a contradiction in terms! You can no more disown your own mental processes than you can stand outside your own feet. This is not to say that every chain of reasoning of yours or mine invariably arrives at assuredly true conclusions. No, we are imperfect creatures and our reasoning is frequently flawed – as we discover when we go back over it to check for logical coherence. But the checking process itself is an appeal to reason, and there is no higher court beyond reason until we appear at the Great Assize!

In short, a direct frontal attack by reason can never succeed in toppling mind from its pre-eminent place in the total scheme of things. If the intellect is to be downgraded the critical faculties must first be dulled, then redirected onto externalities, things. The universe is full of things so exciting that many Moderns come to regard them as more real than the mental activities that make us aware of them! Mind is awareness, which means that the intellect itself rarely gets into our sights when we are using it in the process of knowing something. We don't attend to it when we use it to attend to something else, just as we don't see our eyes when we are seeing something with them.

No Physical Measure

Awareness can't be quantified, and to the degree that we are obsessed with size, quantity, velocity, measurement and the like – preoccupations of the laboratory – to this extent will we conclude that the universe must ultimately be defined in these terms: the quantitative alone being fully real, the mind, therefore, is given a second-class status. Our minds work so well that we forget we have them, and so we are intellectually disarmed when some learned fool comes along and tells us that the mind is a fiction and thinking only reflex activity. Accept the premise that mind is not an ultimate and original ingredient of

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this universe and you assure the rise of a world view wherein reason is assumed to be untrustworthy.

Conversely, if we do acknowledge that mind is an ultimate and original ingredient of the universe – existing in its own right, independent, not derived from something non-mental – an interesting result follows. What are the characteristic earmarks of intellect or mind? The mental is characterized by awareness, conscious intelligence, rationality, creativity, will, purpose. Possessing intellects we have a principle of explanation, an ordering power. Having reasoned to this point we discover that we have arrived at the God of the philosophers, a concept of Deity which is the cornerstone of religion. Discard this concept – that something akin to the mental in ourselves is intrinsic to the universe – and the human intellect is imperiled. Accept the opposite outlook, which we may call nontheism, and the cults of unreason revive.

The Diminished Mind

Nontheism diminishes mind. It regards mind as a mere off-shoot of matter, an epiphenomenon, a secondary thing derived from that which is primary and fundamental – elementary particles. The mythology of nontheism tells us that the universe was mindless for billions of years, and that only after the appearance of the higher primates did this later comer, mind, stumble by accident onto the planetary scene. A few hundred thousand years ago the nonmental chanced to give rise to the mental, the nonrational happened to turn into rationality, and lo, *homo sapiens*. This incredible pedigree downgrades mind by giving it an unreasonable origin, and then it compounds this error by asking us to believe that this discredited instrument can somehow be relied upon to reach trustworthy conclusions! Anti-theism makes matter the master of mind; it reduces our mental processes to the level of secretions from a gland; it degrades the search for truth into a movement of material particles – and thus refutes itself.

Nontheism of some variety – not spelled out this way, as a rule – is the prevailing ideology, and it is hostile to the idea that mind exists in its own right. It declares that matter is primary, mind only secondary, and so it is only natural that nontheism reduces truth to a matter of feeling and opinion. Reason, logic, intelligence – along with mind – are reduced to a second-class status, and without these props and stays the free society hasn't got a chance. The only philosophy which gives Mind and

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Reason their due is what I refer to as Theism.

Now, it is of course true that not everyone who entertains the Theistic position automatically draws the conclusions which I think are implicit in the premises. Human nature being what it is, this fact should cause no surprise. The point is that Theism leans in the right direction; whereas, there's no way to extract the ingredients necessary for a free economy from the polar opposite view, Materialism.

Another cornerstone of the free society is the concept of free will. Nontheism, carried out to its logical end, is some form of materialism, and materialism logically connotes the idea of a cosmic machine and the inexorable, inevitable workings of cause and effect sequences. This is the philosophy sometimes labeled Mechanism. There's no room for the human creative act within this closed system, and if man is not a freely choosing person, it's pretty silly to try to defend the free society, as one where people enjoy maximum liberty to choose and pursue their life goals.

Laws of the Market

Of course, the world view I espouse, Theism, acknowledges the realm of natural or scientific law — nature — the domain in which "there prevails an inexorable interconnectedness in physical and biological phenomena." Theism recognizes, in addition, the social order where the laws of the market (laws of praxeology) operate. For the nontheist, this is all there is, nature and society; man is totally contained within these two orders; he's a product of his natural and social environment; there's nothing more. For the Theist, there's more; man's body is compounded of the elements to be found in the earth's crust, but he also possesses a mind *sui generis*, in virtue of which he participates in the unseen order which transcends nature and society. "Mind," Plato wrote in the *Philebus*, "belongs to the family of what we called the cause of all things." Man is able to break the chain of causation because he has a leverage from beyond nature and beyond society; his will is indeed free. Most people, if they had the choice, would choose more freedom rather than less, and they'd rather be prosperous than not. But mere wishing gets us nowhere when the conditions for freedom and prosperity are absent; and these conditions are lacking when the climate of opinion is hostile to mind, truth, and freedom of the will. The intellectual outlook which excludes the unseen order also diminishes man himself, to the

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point where the idea of inherent rights is extinguished.

Only a handful of the world's people have ever believed in the idea of the inherent rights of persons, and not many philosophers; nor will mere assertion on our part convince anyone but ourselves of the validity of this idea. Individual rights are not self-evident, except to those who embrace a world view from which the idea of equal rights is an immediate inference. It will not do merely to declare that human nature is the source of man's rights, because the alert critic will call upon you to explain the origin of human nature. Is human nature the chance product of the natural and social environment? In which case there is logically no room for rights. Or, is human nature rooted in the ultimate nature of things, thus embodying a purpose of cosmic dimensions, a purpose needing human freedom for its fulfillment? Theism answers in the affirmative!

Rights are Intangible

Now, John Doe's rights do not exist in time and space, as does his brain, for example, or his heart. These organs have mass and extension, and upon analysis they break down into various chemical elements. Not so a person's rights; these intangibles are part of the unseen order – if they are real at all – and those who deny the reality of an unseen order should be sufficiently logical to abandon the idea of inherent rights. Because the prevailing orthodoxy for a century or more has been positivism, scientism, materialism – the labels are many but the substance is the denial of an unseen order – the idea of inherent personal rights has a feeble hold on the modern mind. Reality consists of two orders only, it is affirmed, nature and society, and man is a creature of nature produced by the blind action of chemical and physical forces, shaped finally by his interaction with other people in society: there is nothing in John Doe's present make-up which was not first in nature and society, whose joint product he is. Can we locate rights in those places? No! We can no more attribute rights to nature than color to a musical note; and what is "society" that it could be endowed with rights?

What sort of a world view do we need, then, if we would validate the idea of equal rights for all persons? We need a metaphysic which includes an unseen order transcending the orders of nature and society. If man participates in a transcendent order then the idea of inherent rights readily follows; but if man is merely a creature of nature and society . . . no way!

The human person is either an

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accidental end product of forces in the natural and social environment – the popular opinion today; or, man is what the theologian would call a created being. To affirm that man is a created being is to say that his life has an ultimate meaning and the individual counts; it is not to say that God materialized him in a flash, like Houdini pulling a rabbit out of a hat. The doctrine of creation is another way of affirming that the whole show makes sense, and is purposeful; and man, therefore, has a reason for living. The late Archbishop of Canterbury put the doctrine of creation in theological terms: "the world exists because God chose to call it into being and chooses to sustain it in being." This is Theism, and it is the only world view hospitable to the idea of inherent or "natural" rights.

What Social Arrangements?

Let's assume now that our doctrine of man includes an affirmation of his inherent rights, natural or God-given. What kind of social arrangements most fully acknowledge each person's inner and private domain?

The Declaration of Independence says that legitimate governments are those limited to securing men in their rights, and this position has many adherents even today, myself included. But there are those among our contemporaries who maintain that government per se violates rights by its very existence.

To illustrate their zero-government position, these people ask us to suppose that John Doe decides to put down his stakes in Podunk and buys the house and lot at 10 Main Street. Along comes the tax collector and forces John to cough up his prorated share of the cost of Podunk's government. This tax, it is alleged, constitutes an invasion of John Doe's right to live and every taxpayer in the country is similarly violated. Will this allegation hold water? Nary a drop! Consider: Each of these millions of taxpayers lives at some definite location, his home address; and each of the alleged violations takes place at that same spot. The assertion that the assessment collected *from John Doe at 10 Main Street* is a violation, implies that John has some prior, inherent right to locate at 10 Main Street.

Logically, there cannot be a violation of a right unless there was a right in the first place! Presumably, Doe bought the property at No. 10 and acquired a legal "right" to live there; but if it be argued that he has a natural, inherent right to live at a given place – like 10 Main Street – why was he required to buy his way in? The same twisted theory that views the

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tax as a violation would have to view the purchase as a violation also. But the argument is wrong on both counts. Your right to live, properly understood, means that you have the same rights within a society as anyone else; equal rights for all. If you have chosen to live in Podunk because of its plus features, your choice logically embraces its minus features as well. It's a profit and loss world.

Moral Convictions

The idea of equal rights has close affinities with firmly based moral convictions, and it is Theism again – with its belief that the nature of things has an ethical bias – which supplies grounds for drawing a radical distinction between right and wrong, good and evil. No people, in the absence of an adequate moral code, can move from the mere urge to be free into the free society, nor can they maintain levels of freedom once reached by their forebears. What is right? and What is good? are perennial questions, and most emphatically they are not the same questions as What is useful? what is pleasurable? profitable? legal? What benefits the community? and the like. These are interesting questions, but they are not ethical questions; calling them such does not make them so.

Ethical relativism and ethical nihilism are part of the prevailing orthodoxy; they are the dead ends where axiological inquiry arrives if the opening premise denies the reality of anything beyond the natural and social orders. If there is no unseen order which transcends nature and society, then our moral code must anchor its authority in either the social order or the natural order. Now, nature does have its mercies, but it is also "red in tooth and claw"; it's the scene of a constant struggle for survival. Surely, the law of the jungle does not provide a model which human beings should seek to emulate. And if someone declares that society or a segment thereof is the source of moral authority, we must ask, Which society? or Which faction within society? Only the totalitarian nation can give a clear-cut answer here, and it is not a pretty one.

This position, moreover, presents a logical difficulty. It begins with the assumption that there is no reality beyond nature and society, and concludes that we ought to conform our action to nature's or society's mandates. Whence this imperative? It is not from within nature that we receive a mandate to obey nature; only if the code transcends both nature and the individual can the message be derived that the individual should live according to nature. And it is

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precisely such a code that is denied by all varieties of nontheism. Ditto in the case of society's mandates.

The next expedient of the nontheist confronting his moral dilemma is to assert that every individual is an end in himself; therefore he should pursue his own advantage and further his own interests; he should "do his own thing." The Theist believes that man didn't just happen; he is a created being. Those who deny this affirm that man is the accidental end product of the physical and social environment. And it would take a pretty hard sell to convince anyone that a mere end product really is an end in himself, thereby possessing inherent rights and immunities which everyone else should respect. Only if we acknowledge the mystery and sacredness of personhood – because each person participates in an order that transcends nature and society – do we have the ingredients for a moral code; only then do we have a set of rules, in terms of which each person has maximum opportunity to pursue his private goals and a reason for not aggressing against his fellows – even when an act of aggression appears to give him an advantage or serve his immediate interests. Throw out the rule book, and the admonition "do your own thing" puts the weak doing their thing at the mercy of the strong doing theirs.

What Is the Purpose?

Now for our final point. I have argued that Theism is the only philosophy which validates mind, supports free will, provides for inherent rights and supplies a moral dimension. What does Theism have to say about the purpose of life and the goals appropriate for creatures cast in our mold? We do know that people who are not pursuing the goals proper to man come to feel that life is meaningless; and if life is meaningless – Albert Camus' point – then power has no limits. "What shall I do with my life?" is a question that dogs each of us in the course of our three-score-years-and-ten.

Shall we seek pleasure, power, truth, wealth, or what? Unquestionably, life is to be enjoyed and laughter is good for us; but it is notorious that those who work at having fun don't have much; the serious pursuit of pleasure is a contradiction in terms. What about power? It is a heady thing to wield power, but the corruptions wrought by power afflict both the powerful and their victims.

Truth and beauty? The search for truth and beauty is on a higher level than most pursuits, but there are disquieting trends in modern philosophy which down-

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grade truth by limiting it to the experimentally verifiable, and reduce beauty to a pleasing emotion. Logical positivists discredit mind by denying that thought is an independent source of knowledge. As the Oxford philosopher, A. J. Ayer, puts it, ". . . there are no 'truths of reason' which refer to matters of fact." Deny the reality of an unseen order which transcends nature and society, and truth is a casualty; men lose contact with the pursuits which make life worthwhile.

Let the Market Decide?

Sometimes another tack is taken; some people tell us that the market and the pursuit of maximum profitability provides both a goal for individual life and a guide to conduct. What shall the individual do with his talents, his time, his energies – his life? Why, let the market decide; let each person find out what other people most urgently want from him by noting what they are willing to pay, and then conduct himself so as to maximize his profits! Reflect on the fact that "the market" – in the eyes of any given person – is simply "other people"; so what this position boils down to is equivalent to advising each person to let other people determine how he should live and what he should live for! Society, then, is an enormous altruistic stew, in which "everyone is the servant of all and all the masters of each." Any person who finds himself sunk in this predicament cannot rescue himself unless he has a purchase on a value system which transcends society. Only Theism offers such a value system, one which helps us choose the goals proper for human living.

The free society/free economy does not just happen in human affairs; only occasionally has it emerged in history. The free economy is a contingent thing, dependent upon the cultivation and application of the right ideas, the right philosophy. Freedom needs a world view which makes mind central and gives truth its proper place; freedom needs to be buttressed by firm moral convictions, by the idea of inherent natural rights, and by belief in free will. And only a happy citizenry pursuing the goals proper to man will struggle to become free, or fight to retain such freedom as they already enjoy. The free society, in short, needs Theism. Of course we need sound economic and political theory as well, but it must be emphasized once again that a people which has embraced an untenable world view – one which denies the spiritual and the transcendent – will be seduced repeatedly by crazy schemes of reform and revolution.

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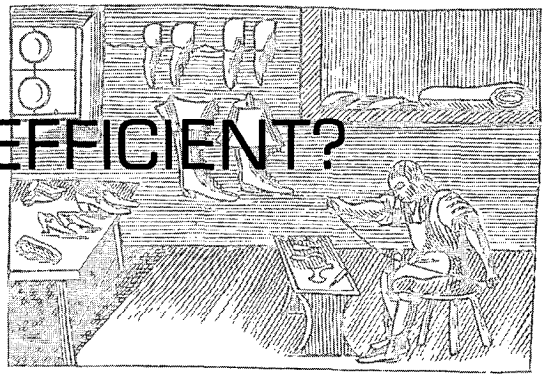
WHO IS EFFICIENT?



BRIAN SUMMERS

WHICH BUSINESSES make the most efficient use of the factors of production: natural resources, labor, and capital goods? That is, which businessmen are the least wasteful in their efforts to market goods and services?

To find the answer, we must have a means of comparing a businessman's product with the factors of production he has used in its creation. That is, we need a standard that applies to goods and services as well as to natural resources, labor, and capital goods.

At first glance, this is a pretty tall order. We usually think of raw materials in terms of tons, labor in terms of hours, capital goods in terms of tools, and products in terms of usefulness. How does one compare usefulness with tons, hours, and tools?

Fortunately, in a free market we are not forced into such arbitrary decisions. For when the market is free, we need not think in terms of natural resources, labor, capital goods, goods and services per se, but rather, we may use prices the market attaches to these items.

Is free market pricing the proper standard to use in judging business efficiency? We will know the answer when we understand how free market prices come into being.

When the market is free, businessmen present customers with goods and services, and asking prices for these goods and services. Of course, consumers are not forced to buy from any one merchant. If they feel that a given merchant's asking price is too high, they take their business elsewhere. Competition among businessmen causes them to base their asking prices on their anticipations of how consumers will react to these asking prices. Only when

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a customer reacts favorably does an asking price become a selling price.

Thus, businessmen are guided by consumers in the formation of prices of consumers' goods. How are prices of the factors of production determined?

Businessmen bid among themselves for natural resources, labor, and capital goods. However, here again businessmen are guided by consumers, for their bids are based on their anticipations of customers' reactions to the goods and services these factors will be used to produce. Hence, a given factor of production will go to the businessman who feels he can put that factor to the most valuable use. Valuable to whom? Valuable to the person whose favorable reaction the businessman seeks – the consumer.

We have thus found a standard – free market pricing – that applies to raw materials, labor, capital goods, goods and services. How can this standard be used to judge business efficiency?

From the point of view of consumers – and we are all consumers – the answer is straightforward. Businesses whose expenditures for factors of production are less than their sales of goods and services have made efficient use of factors of production. Businesses whose expenditures exceed their incomes have made inefficient use of these factors. Hence, businesses that earn profits are efficient; businesses that lose money are inefficient.

In a free market we can use prices to test business efficiency. However, as government interventions take us away from the free market, we lose our simple test, and it becomes more and more difficult to judge efficiency.

Government interventions influence prices in many ways. Controls on wages and prices are obvious examples. When wages and prices are set by the government, and not by consumers, businessmen still seek profits, but such profits are an indication that a firm's governmentally determined revenues exceed its governmentally determined expenses, not that a firm has efficiently served consumers.

Other forms of intervention also influence prices. Zoning, tariffs, import quotas, export restrictions, I.C.C. regulations, rent controls, minimum wage laws, union monopoly privileges, and so forth affect business balance sheets in countless ways. The more these balance sheets are affected by the government, the less they are affected by consumers. And the more the government interferes, the less valid the consumers' test of efficiency becomes.

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The ultimate intervention is government control of an industry. Mail delivery is a good example. Is the Post Office efficient? It loses hundreds of millions of dollars every year. Suppose postal rates were raised to show a profit. We would still have no way of judging Post Office efficiency because consumers would still have nowhere to turn for lower rates and/or better service. Postal rates are not determined by consumers, but rather, are set by bureaucrats backed by a police force standing ready to imprison anyone who challenges the Post Office's legal monopoly.

Only in a free market, where businessmen face constant competition, can business efficiency be tested, for only in a free market can consumers encourage efficient production with profits and discourage inefficient production with losses.

IDEAS ON LIBERTY

Total Control

BUT WHEN SUCH A STATE of all-around control of business is achieved, the market economy has been replaced by a system of centralized planning, by socialism. It is no longer the consumers, but the government who decides what should be produced and in what quantity and quality. The entrepreneurs are no longer entrepreneurs. They have been reduced to the status of shop managers and are bound to obey the orders issued by the government's central board of production management. The workers are bound to work in plants to whom the authorities have assigned them; their wages are determined by authoritarian decrees. The government is supreme. It determines each citizen's income and standard of living. It is totalitarian.

Price control is contrary to purpose if it is limited to some commodities only. It cannot work satisfactorily within a market economy. The endeavors to make it work must needs enlarge the sphere of the commodities subject to price control until the prices of all commodities and services are regulated by authoritarian decree and the market ceases to work.

LUDWIG VON MISES, "Inflation and Price Control"

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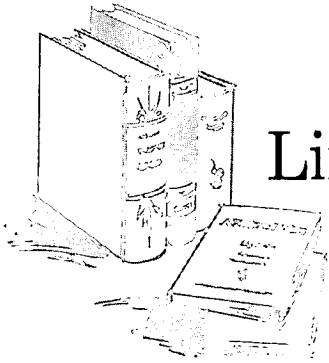

Lifelong Learning

EDUCATION is a lifelong pursuit. Whatever a person does in life demands preparation, and since every day is a new day with new requirements he needs to face every dawn with renewed qualifications.

Education is not something that goes on for a certain number of years until it is capped by a graduation ceremony, whereupon it ends forever. That would be to let your mind die. An advertisement for Great Books has an illustration representing a gravestone on which is inscribed: "Here lies the mind of John Doe, who at age 30 stopped thinking."

Education in school has provided many tools of thought and some guides to action. It has led the student to recognize certain basic principles. To say at this point "That is it; I am educated" is merely another way of saying "I have stopped learning."

Every person has to live all his life with himself. He should, then, for his happiness' sake, make himself an informed, reasoning and interesting companion.

This *Letter* is not an attempt to revise the educational system, but a reminder of the lifelong nature of education. Many people have ideas about changing the system, but they are careful when it comes to making proposals: they recall that Socrates was invited to drink the hemlock because he attempted to reform the university curriculum of his time.

Continuing education may be obtained within organized educational programs or by our own initiative and design. Its purpose is to help us to make the most of our good points and to turn our deficits into assets. It keeps our perceptions sharp. It gives us the capacity for self-renewal.

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Continuing education is essential if one is to be an efficient person, homemaker, and citizen. It enables one to grow and to live significantly as youth, parent and worker, and as a citizen of the world.

One of the central dilemmas of today's overlapping generations is how to keep informed amidst the dizzying succession of discoveries and events.

Educators have drawn inspiration from Plato, but since his day there have been three new influences affecting education: the vast accumulation of knowledge, the need to earn a living in a competitive world, and the growth of applied science.

Continuing education enables us to re-evaluate our habits of thought, concepts and ideals in the light of these changing times. It prepares us to face any change or chance, so that we are not easily thrown into a panic. It assures us of where we are, indicates where we are going, and tells us what we had better be doing under these circumstances.

Part of continuing education is to keep us alert to the possibility of the unexpected, and with minds open to meet it. Thus we avoid the embarrassment that overtook Dr. Lardner in London in 1836. He published a pamphlet in which he proved conclusively that a steamboat could not cross the ocean: the book came to this continent on the first steamboat that came across the Atlantic.

Continuing education, conditioning us for the march of progress and preparing us to enjoy life fully, is possible and desirable for everyone. We may call as witnesses to the need two eminent men whose ability and common sense no one will question. President Abraham Lincoln hesitated about visiting Europe where great statesmen were eager to give public recognition to his fame. He told the senator who suggested that he accept: "As you know very well my early education was of the narrowest, and in the society in which I should move I should be constantly exposed in conversation to have a scrap of Greek or Latin spoken that I should know nothing about." And Sir Winston Churchill said in a speech in Boston: "I have no technical and no university education, and have just had to pick up a few things as I went along."

To Be Educated

Dr. Nicholas Murray Butler, president of Columbia University, cited these aspects of education: correctness and precision in the use of one's mother tongue; refined and gentle manners; the power and habit of reflection; the

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power of growth; efficiency – the power to do.

To these qualities other people have added: a set of values and the courage to defend them; an understanding of society; the ability to look squarely at the world and its problems.

It is not enough to accumulate facts. To be educated is to have acquired knowledge that has certain attributes. It should enable us to answer these three great questions: Is it right or wrong? Is it true or false? Is it beautiful or ugly?

Continuing education does not provide a tourist's guide to life, but a scale of values by which to regulate living. It offers these benefits: it enables us to learn what thoughts and acts we should avoid and what we should pursue if we are to be happy; it shows us how to inquire into the reality of things so as not to be deluded by surface appearances; it helps to free us, on the one hand from the ghostly drag of superstition, and on the other hand from the arrogant assertion of dogmatic opinion.

Freedom is one of the great benefits conferred by education. It enlarges the scope of a person to enjoy the good things of life. Stephen Leacock said in *Humour and Humanity* that he found written over the portals of the library of a great university the legend: "Learning maketh a full man." He thought that was a very stodgy conception. "Learning," said Leacock, "ought to make him light as air, able to hop like a humming bird among the flowers of scholarship."

Continuing education should be a progress from lower to higher stages of understanding. This is not to say that continued learning will make you as carefree as Leacock's humming bird appears. It makes you skeptical toward statements for which no evidence is presented, and disdainful of insincere promises. It acts as a sort of balance wheel, giving you poise. It enables you to keep your head when people all around you are losing theirs.

Communicating Ideas

It helps, too, in understanding and communicating ideas. Most persons in Canada have worthwhile thoughts they would like to pass along to others, but they have not the knack of putting their thoughts into words. Continuing education will enable them to turn their collection of random and disconnected ideas into an integrated and understandable communication.

Continuing education enables one to meet and converse with all sorts of people. The business ex-

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ecutive may talk with the labor leader and the scientist with the philosopher, and each recognizes that the other is an educated man, though the area covered in their collection of knowledge is widely different and the centers of their interests are far apart.

The characteristics of good communication can be learned by every person of fine sensibility and reasonable industry. That attainment alone makes a continuing education worth while.

This education is not formal schooling. Mature people are not confined to some prescribed curriculum. They may explore what interests them: words to express their thoughts; fields and woods to learn about nature and ecology; the causes and effects of things that are happening around them. There is something to interest every sort of person, something in which to make discoveries and develop ideas.

Continuing education means using your own brain to supply a theory of life fit for you, based upon knowledge of life's possibilities and limitations. It means knowing the validity of the great things we treasure: justice, liberty, loyalty, truth and duty. It stimulates your imagination, creates perspective and breadth of outlook, and presents the challenge of judging between this and that. Devotion to this sort of learning produces a scholar in the truest sense of the word.

The Need for Knowledge

Many of the world's ills are due to ignorance, confusion and the misinterpretation of cause and effect. This is not merely because many people are illiterate, but because so many people who are literate ceased learning too early in life. They did not keep up.

Education continued into maturity keeps us supplied with many points of view from which to survey and appraise events and movements. One mark of the educated person is the degree of his openmindedness. He is opposed to dogmatism, intolerance and smugness. No one can pursue education without widening his views and changing his mind.

Consciously or subconsciously everyone knows that he needs a comprehensive view of existence if he is to integrate his values, choose his goals, plan his future, and maintain the coherence of his life. Therefore he is constantly pushing back the boundaries of his knowledge, not seeking to prove some notions he has, but searching for the truth about them.

At every turn in the journey of life the need for knowledge urges itself upon us. Whatever advance

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we make in our working or private life is due to the increase of our knowledge and our urge to push upward to superiority.

When a person asks himself: "Do I know enough about this matter to express an opinion or to take action?" he is giving evidence of being educated. Saint Thomas Aquinas, known as the Angelic Doctor, wrote: "An angel perceives the truth by simple apprehension, whereas man becomes acquainted with a simple truth by a process from manifold data."

Knowledge is the sure base for speculation about events and the only safe foundation upon which to build dream castles. It opens the door to valuable states of mind. It helps to remove fidgety anxiety about happenings. It gives us the edge when we come up against a problem for the solution of which we have not been specially trained.

To be educated you must keep your knowledge up to date. As an example, consider the big library of a medical doctor. He had hundreds of books bulging in their binding because of pieces of paper inserted in them. The doctor subscribed to medical journals, clipped out the technical articles and slipped them into his textbooks at appropriate places. He had, then, the basic principles about disease and treatment together with the latest word about discoveries and new techniques. He was up to date. He was educated. No matter how high he climbed in his profession (at one time he was chief of a hospital) he never became top-heavy, because every expansion of his duties was matched by expansion of his base of knowledge.

Much knowledge comes from observation. Literacy does not consist in having the ability to read the instructions on a medicine label, a tin of soup or an electric drill. It is the power to absorb observations, make analyses and reach decisions. It is the capability to know how to find out the answer to questions.

The Art of Reasoning

From acquiring knowledge we proceed to reasoning. The quality that sets mankind apart from the lower order of animals is that of thinking. Activity of our minds is the thing needful if we are to be fully human.

As Alfred North Whitehead wrote: "The art of reasoning consists in getting hold of the subject at the right end, of seizing on the few general ideas which illuminate the whole, and of marshalling all subsidiary facts round them." To think is to compare things with one another, to notice wherein they agree and differ, and to

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classify them according to their agreements and differences.

In doing this you will benefit by the academic habit of disciplined and objective thought. There is an austere beauty in precise thinking, and great satisfaction in seeking and finding answers. A character in one of Sophocles' plays said: "'Tis no disgrace even to the wise to learn, and lend an ear to reason!"

To put education to its best use you need some guides such as those given by René Descartes, French mathematician and philosopher and father of the modern science of thought. The starting point of his philosophy was the famous phrase: " I think, therefor I am." He proposed these principles: 1) Evidence: do not accept anything as true until you recognize that it is indeed true; 2) Analysis: divide up problems into many parts and solve them one by one; 3) Synthesis: put things together, thus mounting in stages to the most complex knowledge; 4) Control: make your surveys so wide as to ensure that nothing is omitted.

Close upon the heels of educated reasoning comes wisdom. When you gain and practice scholarship, that gives you a fierce resentment against pretense and bluff, against shoddy thinking and jerry-building. Wisdom sees the fitness of things and grasps the logic of events. It makes a person's mind fit, as Charles Perrault wrote in the dedication of his book of fairy tales: "to rise to great things and stoop to small ones."

Finally, the person who is continually learning reaches philosophy. That begins when he is wise enough to question his cherished beliefs, and ask for the truth, and demand an answer to "why?"

For Mature People

Continued learning assures that the accumulated wisdom of advancing years will be strengthened by a growth in attitudes and concepts suited to changing social, economic and political conditions. It enables a person to adjust constantly to changes in his individual situation and to the demands and expectations of society.

Learning throughout life fits one to rise above average. Enthronement of the average is one of the pitfalls facing a democracy, and the one way to avoid this pitfall is a lively recognition of excellence wherever it appears, and cultivation of the urge to reach it.

Mental stagnation is the most greatly-to-be-feared fate of encroaching age, whereas a human mind continuing to grow and to develop throughout a long life is a splendid and impressive sight.

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Continuing education enables a person to keep busy at his highest natural level, and sometimes to rise above it.

Age is not a genuine handicap to learning anything you want to learn or need to learn, but in the second half of life one does not belong in a vast educational institution: one is an individual on his own.

Upon retirement, many men and women return to education as something that holds the assurance of a better way of life and a path toward self-fulfillment. How different is that effort to adjust so as to get the best out of life from the attitude of those who are content upon retirement to idly repose, like emancipated slaves content with their freedom.

How to Do It

Studying to broaden your horizon is not something to be attempted in the atmosphere of frenzy that marked the busy days when you were trying to clear up a backlog of work in your office or factory. Opportunity to continue learning consists in arranging circumstances so that study is possible.

We are reminded of the newly-retired Mr. Crombie in Edward Streeter's *Chairman of the Bored* (Harper & Bros. 1961). He said to his wife at breakfast: "Last night I worked out a schedule for myself. If you don't have some kind of a systematic plan you never get anything accomplished."

"I thought you told me we had all of eternity to get things done."

"That won't be long enough if we don't get some order into our lives."

There will be days when your primary objective is to keep afloat, and others when you look at the neatly arranged list of things that you planned to do and find that you don't want to do any of them. These are natural occurrences, and they need not be fatal to your desire to study. Like Dorian Gray in Oscar Wilde's novel you may be "far too wise not to do foolish things now and then." But you will return to your purpose and your plan, probably refreshed by your vagrancy.

Some may carry on their continuing education alone. Ralph Waldo Emerson wrote in his journal: "I feel a joy in my solitude that the merriment of vulgar society can never communicate." Nearly every home can be made to provide a den or a quiet corner where a person may sit with a book or with his thoughts. The smallest cubby-hole becomes a spacious study when a person's mind walks up and down among the thoughts of others.

For those who like to do things

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in company, there are courses for adults in universities and schools, the Great Books groups, and groups which study any subject in which members are interested. Whether alone or in company, you find pleasure in exercising your mind.

Have a Shelf of Books

The easiest way to extend education, and indeed the only way open to many persons, is by reading books. There is no mood of mind to which a person may not administer the appropriate nutriment or medicine at the cost of reaching down a volume from his book-shelf.

Instead of reading about weak, disorganized and mixed-up people, unhappy, blundering and defeated, seek intimacy with great minds. Plan to absorb the results of other people's thinking and add your own thoughts. It is quite possible for a person to acquire such a general knowledge of the laws of nature and the facts of history and the bases of science that every great advance made in any department shall be to him both intelligible and interesting.

One may have books that he has never read and never will read, but possession of them is education in its own way. One knows that all he need do when he is lonely is reach out his hand and grasp that of a friend, or if he wants to know something, turn to his books and ask. Everyone should have a few feet of shelf marked "books suitable for reading on deserted islands." That will be the section to which you will turn when life seems empty of interest or when difficulties pile upon you.

The Fruits of Education

The fruits of continuing education include the development of ideals, the setting up of a sense of values, the acquisition of a feeling for beauty, and the experience of adventure.

The ideal life would be the fullest development of your highest powers in education and art, and growth in religious, moral and intellectual awareness. There is an innate satisfaction in looking for the true and the noble, whether the search be among ideas or men and women. As your education progresses, you develop a philosophy that demands the first-rate.

Find out what things are worth bothering about. It is a great advance toward happiness when we learn what things are in our power and can be changed, and what things are not in our power and therefore must be adjusted to.

The time of retirement, when a person has leisure to think about

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things, often reveals that the working days have been lacking in the perception of beauty. To cultivate appreciation of beauty is an essential part of continuing education. Dr. Albert Edward Wiggam wrote in *The Marks of an Educated Man* (Blue Ribbon Books, 1930) "I feel sorry for the man who has never gone without his dinner to buy a book of poems, a ticket to a concert, a little statuette or picture, or a pretty rug or chair for his home, or even a pretty hat for his wife."

Last but not least is the excitement of discovery. When you see an analogy, a connection between events or thoughts, which no one has seen before, you experience the thrill of discovery.

André Gide, the French novelist and critic, Nobel prize winner for literature in 1947, wrote "The wise man is he who constantly wonders afresh." When we find something in a book that causes surprise or admiration, or that adds to our knowledge of the universe, we are released, for the time being, from the choking grip of sophistication and the dead hand of cynicism.

To be educated means that you have learned what to do with an idea that enters your mind. You know how to take it apart to see what it is made of, how to develop it into something useful and pleasurable, and how to bring the idea to life. When you do that, you are qualified to enjoy important adventures of the mind and the spirit.

Only through lifelong education can a man or a woman continue to live significantly. Such a person is at work on his own enlargement. He takes as little as possible for granted. He will be repelled by the suggestion that he accept inert ideas. He will want to test, to use, or to throw into fresh combination the ideas that come to him. He will reject the ready-made opinions of others in favor of a blank sheet of paper on which to develop his own thoughts.

There is much talk about "rights." Every person has the right to become all that he is capable of becoming. To him, education is attractive and worth while, and it is attainable at any age. It is a continuous growth of the mind and a continuous illumination of life; an eternal becoming something better.

Seneca, the Latin philosopher and dramatist, tutor of Nero, wrote "As long as you live, keep learning how to live."

Editor's Note: In all this treatise on learning, not a word as to what the government ought to do about it!

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He Gains Most Who Serves Best

PAUL L. POIROT

"THE BEST OFFENSE is a good defense" may be effective strategy in war and various competitive sports to decide winners and losers. But this offense-defense terminology is misleading with reference to free market competition. Voluntary exchange is neither a game nor a war; it is a form of cooperation between buyer and seller to their mutual advantage – as each one determines advantage. So, the rule of the market would run more like this: "He gains most who serves best." A businessman's profits are a measure of his efficiency in the use of scarce and valuable resources to satisfy the most urgent wants of consumers.

Having competed successfully in the market, a property owner seeks to preserve his gains. But the market continues to insist: "He gains most who serves best." In other words, the way to preserve your gains is to keep on serving consumers efficiently; that's the only protection of property the market can offer.

It should be noted here that the market recognizes and accommodates numerous forms of property. Perhaps the most crucial and significant form is the individual's property right in his own person – his freedom to use as he pleases for any peaceful purpose his own ideas and energies and other faculties and possessions. As a self-owning, self-responsible human being, he is free to choose work or leisure, thrift or prodigality, specialization and trade or self-subsistence, formal education or on-his-own, splendor or plain living – anything peaceful, at his own

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expense. The market is there to serve him to the extent that he serves others: "He gains most who serves best."

In addition to one's right to his own life, the market recognizes and respects other forms of private property. There is the land, the space one occupies to the exclusion of others who have not earned access or been freely invited to share that space. There are the man-made buildings and tools of further production. There is food, clothing, shelter, transportation, medical and dental care, news and other information, books, education, recreation, entertainment, services ranging from strictly unskilled manual labor to the most highly skilled professional help. All these are forms of private property, things owned and controlled by individuals as a consequence of peaceful production and trade – voluntary market transactions, according to the market formula: "He gains most who serves best."

A Wealthy Nation

Those who speak of the United States as a wealthy nation really mean that the citizens of this nation are relatively well off. And we should add the appropriate qualifications: (1) some of the citizens of the United States own more property than do others, and (2) the typical United States citizen owns more property than the typical citizen of other countries.

Without those qualifying conditions, the reference to a wealthy United States might be misconstrued as meaning that our federal government has unlimited resources at its command – an all-too-common belief.

Perhaps the people of the so-called underdeveloped Third World might be excused for the notion that the wealth of the United States is primarily in the form of government property. Citizens of lands long committed to communism have less reason to believe that the path to prosperity and happiness is through government ownership and control of resources. But what could be our excuse, we taxpayers of the United States, for possibly thinking of Uncle Sam as the source of endless goodies? Either our government is independently wealthy and has no need for taxpayers, or else it is dependent on taxpayers for its resources. Is there really any question about that?

Unfortunately, many citizens of the United States seem to be in doubt as to which is the case. They vote themselves instant protection and welfare, payable from Federal funds, as if there were no tomorrow – no accompanying tax burdens and disruption of business

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and trade. The facts to the contrary are announced daily in the various taxes added to purchases, weekly or bi-weekly in the list of deductions from pay checks, annually as income tax reports are filed. We have every reason to know there is a tax to pay for every act of government, whether to defend life and property and maintain peace and assure justice, or to transfer property from one person to another for whatever reason.

Why Some Have More

Because the market rewards individuals according to services rendered, the result is that some persons earn and own more property than do others. Strictly by serving the masses of mankind, some individuals have been made extremely wealthy. They have been given stewardship over vast amounts of property because of their proven capacity to use such scarce resources efficiently in providing the goods and services most sought and most valued by others. But if, for some reason, any present owner of scarce resources loses his touch, fails to serve efficiently, the open competition of the ongoing market process soon will bid the property into the hands of some new owner who serves better.

Meanwhile, the market process sustains vast numbers of us who pretend to *know* better than we *do* – who feign a wisdom not manifest in our performances. And one version of such "wisdom" holds that "we" know better than "they" how to use their property, that there is a more humane and just method of allocating scarce and valuable resources than to leave it to the market decisions of competing owners of private property. In other words, property should be redistributed "to each according to need," not left to the market rule: "He gains most who serves best." And just how is the market to be closed? Forcibly! Instead of upholding the dignity and property rights of the peaceful owner, the government shall intervene sometimes to drag a supplier unwillingly to market, sometimes to bar or limit his entry; sometimes to protect present owners of property in uses long since declared wasteful by any reasonable measure of the market place, sometimes to forcibly transfer property from the most efficient users into the hands of those who most miserably have failed to serve others in any way whatsoever.

The Best System

So we come back once more to the only rule the market follows, "He gains most who serves best." Despite the inequalities of wealth resulting from observance of that rule, no one reasonably contends

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that there is a better formula for human action in society. There is nothing morally wrong about voluntarily serving others. A person does not rationally contend that he has been impoverished because others have acted to serve his most urgent wants. When two parties voluntarily exchange their privately owned resources or properties, each gains – else he would not trade; and no uninvolved third party is harmed by reason of the trade.

While the rule of the market allows the greatest gain to the one who serves best, it affords no protection for any gain except through continuing use in the efficient service of others. In other words, the market insists that scarce resources be owned by those who are most proficient in serving willing customers, which is the least wasteful social distribution of wealth that is possible. To arbitrarily or coercively change the market-derived pattern of ownership is to introduce waste; and there is no historical or theoretically sound evidence that waste of scarce resources is socially beneficial. What any waste of any scarce resource amounts to in the final analysis is a waste of human lives – the inevitable consequence when compulsory collectivism interferes with or displaces the market process of open competition.

It is comforting to be a citizen of a wealthy nation. But a nation is wealthy only by reason of the fact that resources are privately owned and controlled according to the rule, "He gains most who serves best." And the only way in which government can usefully serve such a society is to keep the market open, restrain and punish those who violate the rule, but otherwise let free men compete.

IDEAS ON LIBERTY

Servants of the State

WHERE DISTINCTION and rank are achieved almost exclusively by becoming a salaried servant of the state, where to do one's assigned duty is regarded as more laudable than to choose one's own field of usefulness, where all pursuits that do not give a recognized place in the official hierarchy or a claim to a fixed income are regarded as inferior and even somewhat disreputable, it is too much to expect that many will long prefer freedom to security.

F. A. HAYEK

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Sovereignty and Bargaining

GOVERNMENT, says the old Chinese proverb, is more terrible than tigers. That is because government rests on force. But when private individuals are not restrained by government from using force in accordance with their own whims, we have something that is worse than tigers. In the well-known observation of Thomas Hobbes, life without government becomes nasty, brutish and short; even the non-tigerish become man eaters.

In choosing between tigers and something worse than tigers mankind is challenged to figure out a way of limiting the rule of the tiger State to defending borders, protecting citizens in their individual rights and keeping the environment free from communicable diseases. Our Founding Fathers thought they had solved the problem. With John Locke and other post-Hobbesean philosophers, they hoped that check-and-balance representative institutions would make governmental force both orderly and palatable. We would have sovereignty where we needed it, to provide for the Adam Smith triad of justice, safety and cleanliness. Parliaments, chivvied or bought by special interests, have often betrayed the Lockean hopes (indeed, Willmoore Kendall considered this to be the joker in the Locke deck), but it remains incontestable that if the State isn't the sole repository of force life would be reduced to rule by gang shoot-outs mitigated by general anarchy.

Law, in the Lockean, or republican, State means that the taxpayer, as voter, calls the turn on where the tiger of government should be turned loose for controlled feeding. But when we have public-sector unions arrogating to themselves the right to strike

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against what the sovereign legislators choose to pay them, we have an absurd situation. The government is no longer sovereign. We have a two-headed arrangement, with the right of the people to rule colliding with the right of union-sanctioned arbitrators to infringe on popular sovereignty if it seems necessary to keep the public-sector union bosses happy.

In a wide-ranging essay, *Sovereignty and Compulsory Public-Sector Bargaining* (*Wake Forest Law Review*, reprinted as a pamphlet), Sylvester Petro has explored the whole reach of a crazy situation that is making government impossible in our big cities and even threatens the integrity of the federal union.

It seems strange to Dr. Petro that virtually nobody has caught on to the logical fallacy of supposing there could be a workable two-headed sovereign. Elected governments are supposed to have supreme governing power. But if a public-sector union can presume to refuse to collect the garbage, or to open and close draw bridges, or to put out fires, or to crack down on muggers and restrain street gangs, meanwhile coercing the government to reach a "collective bargaining" agreement that may or may not be within the taxing power of the government to sustain, just who is ruling us anyway? Even if an "imperial" arbitrator is provided for in a collective public-sector bargaining agreement, the State loses control. The arbitrator, not the people, becomes the ultimate sovereign.

Union Bosses vs. Legislators

Once unions become recognized as compulsory bargaining units in the public sector it becomes impossible to deal with them in ways that will still permit legislatures to rule. In New York State the so-called Taylor Law supposedly established compulsory collective bargaining while prohibiting strikes by public employees. The result, as might have been foreseen, is just another dead-letter *verboten*. Garbage collectors and bridge tenders have gone on strike anyway. Since jails don't exist that can hold thousands of strikers, the power to arrest becomes meaningless. An occasional union leader may go to jail, but this only hardens his rank-and-file followers, who forthwith make him a martyr. It does not bring strikers back to work.

As I write this review, the news from Scotland provides a grim underlining for Dr. Petro's words. A ten-week strike by garbage truck drivers has left 70,000 tons of rotting garbage in the streets of Glasgow. The citizens have been afraid to become their own gar-

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bage collectors, for that would be "scabbing." So the Royal Highland Fusiliers have had to be called from traditional guard duty at Edinburgh Castle, not to break the strike but to kill thousands of rats that have been running wild in the streets. Query: is it the union or the city hall that is sovereign in Glasgow? Or could it, ultimately, be the rats, who have controlled populations in the past by spreading bubonic plague?

Dr. Petro details the efforts of various labor-law writers to justify compulsory public-sector bargaining on the "private-sector analogy." But there is no analogy. Private-sector bargaining under NLRB rules is bad enough, but, as Dr. Petro points out, there are market checks that keep both unions and employers within shouting distance of common sense. Private businesses must have some margin of profit if they are to continue paying union members. But no government agency is under what Dr. Petro calls "the uncompromising duty to make a profit which prevails in private business." The public-sector union, run by power-hungry bosses, can be extortionate and still hope to collect on its extortion. People in civil society must have police and fire protection at any cost when the alternative, which is anarchy, is considered.

Campaign Funds

The effect of compulsory public-sector bargaining is to make government officials supine. Dr. Petro speaks of the "Hanslowe Effect," named after a Cornell professor who has pointed out the collusive possibilities between unions and public officials once union-shop arrangements invade government. A public service union of teachers, for example, must, if dues are collected from everyone, be rich enough to make a profound impression on any politician needing funds for campaigning. Until very recently public servants, constrained by civil service rules, have been fairly unpolitical. But now that they are listening to the siren song of professional organizers, they are, in the words of boss Jerry Wurf, "political as hell." The present contributions to political candidates are enormous, and they will grow greater as the likes of Mr. Wurf grow more powerful.

Dr. Petro explores many of the side effects on the quality of public service that have come with unionization. Is it a mere coincidence that there has been a drop in Scholastic Aptitude Tests since the public-school teachers began to be politicized? Can there be parental and taxpayer control of educational policy if the teachers become a monolithic unionized bloc?

When Albert Shanker speaks of

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organizing three million teachers into "the largest union in the U.S." he doesn't say he hopes to control school curricula. But Mrs. Catherine Barrett, the head of the National Education Association, has been forthright about it. "We are the biggest potential political striking force in this country," she said, "and we are determined to control the direction of education."

With this sort of thing growing, the new "sovereign" (i.e., the entrenched compulsory public service union) could indeed be more terrible than tigers.

The booklet, **Sovereignty and Compulsory Public-Sector Bargaining**, may be obtained at $1.50 from The Foundation for Economic Education, Inc., Irvington-on-Hudson, New York 10533.

▸ PURITAN ECONOMIC EXPERIMENTS by Gary North (Remnant Review, Box 5025, North Long Beach, California 90805, 1974) 40 pages, $.75.

FREEMAN readers will recall the series of three articles which appeared from April to June 1974, which are now available as a booklet.

Here is the long-neglected story of the Puritan economic experiment with government intervention in America. Between 1630 and about 1676, the new England Puritans – first cousins spiritually of the tiny band of Pilgrims in nearby Plymouth Colony – tried again and again to solve the problems of economic life by passing regulations. Each time the interventions made things worse. In the name of Christian charity and social responsibility, Puritans passed maximum wage laws, price controls, and import regulations. They created licensed monopolies in key occupations. They tried to regulate styles in clothing. They set maximum rates of interest. They regulated buying and selling of land. They tried to operate, through the civil government, huge parcels of "free" agricultural land. Finally, in the final quarter of the seventeenth century, they gave up. They opened up the economy as no society had ever done before. The foundations of American economic life were laid by men who had tried government intervention and had seen it fail.

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